Daily Report

East Europe

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'Shield 88' Maneuvers To Take Place in June

LD2605175088 Warsaw PAP in English
1714 GMT 26 May 88

[Text] Warsaw, May 26—Military exercises of selected staffs of the united armed forces of states-parties to the Warsaw Treaty codenamed "Shield 88" will take place on Polish territory in the beginning of June.

The aim of the exercise, to be held under the command of the minister of national defence of Poland, will be to perfect command abilities and the collaboration between the allied armies.

About 14 thousand soldiers will take part in the exercise.

Warsaw Pact PCC To Meet in Warsaw Mid-July

LD3005183088 Warsaw PAP in English
1740 GMT 30 May 88

[Text] Warsaw, May 30—In line with a reached agreement, the Political Consultative Committee [PCC] of states-parties to the Warsaw Treaty will hold its next conference in Warsaw in mid-July.

CSSR's Lenart Receives Bloc Representatives

LD2505224188 Bratislava Domestic Service in Slovak 1930 GMT 25 May 88

[Excerpts] Jozef Lenart, Presidium member and secretary of the CPCZ Central Committee, received in Prague today representatives of delegations that are taking part in the session of the Executive Committee and General Assembly of the federations of the scientific-technical organizations of socialist countries. [passage omitted]

Comrade Jozef Lenart praised the meritorious work of scientific-technical organizations and underlined their important role in speeding up economic and social development of socialist countries.

Briefs

CEMA Office Meeting

The meeting of the CEMA office for instrument industry and automation opened its sixth session in Zamardi, with the participation of experts from nine socialist countries. The office will continue its activity in a more complex way by merging with the offices of the machine-building industry branch and the hydraulics and pneumatics branches. [Text] [*AU2905210588 Budapest NEPSZABADSAG in Hungarian 25 May 88 p 8*]

Mladenov Departs for New York, Iceland

AU2905200588 Sofia Domestic Service in Bulgarian 1730 GMT 29 May 88

[Text] Petur Mladenov, minister of foreign affairs, departed for New York today to attend the UN special session on disarmament.

On his way to New York, Petur Mladenov will pay an official visit to the Republic of Iceland at the invitation of Steingrimur Hermannsson, minister of foreign affairs of Iceland.

Arrives in Reykjavik 29 May

AU2905205988 Sofia BTA in English 1806 GMT 29 May 88

[Text] Reykjavik, May 29, (BTA special corr.)—Mr Petur Mladenov, minister of foreign affairs of Bulgaria, arrived here today on an official visit at the invitation of Mr Steingrimur Hermannsson, minister of foreign affairs of Iceland.

During his stay in Iceland the Bulgarian foreign minister will have talks with his colleague Mr Hermannsson on questions of the relations between Bulgaria and Iceland, on topical international issues and on other questions of mutual interest. Bulgaria's foreign minister will be received by Iceland's President Ms Vigdis Finnbogadottir, and by Mr Thorvaldur Kristjansson, chairman of the Althing.

Holds Talks With Hermannsson

AU3105083588 Sofia BTA in English 0711 GMT 31 May 88

["Favorable Conditions for More Active Ties"—BTA headline]

[Text] Reykjavik, May 31 (BTA special correspondent)—Mr Petur Mladenov, minister of foreign affairs of Bulgaria, and Mr Steingrimur Hermannsson, minister of foreign affairs of Iceland, exchanged views here yesterday on key international issues and discussed the state and the prospects of bilateral relations. They found that there is a considerable amount of untapped opportunities in Bulgaro-Icelandic relations. No contentious issues beset these relations, and favourable prerequisites are available for more active political, economic and cultural contacts.

The sides considered some specific forms to upgrade the level of cooperation in various areas of mutual interest.

Discussing international affairs, the chief diplomats surveyed the international situation since the signing and the ratification of the Soviet-American INF Treaty, which was assessed as a turning point in the disarmament dialogue. The ministers welcomed the fourth Gorbachev-Reagan summit meeting underway in Moscow and expressed the hope that it will give an impetus towards an agreement on a 50 per cent reduction in strategic offensive forces.

An emphasis was laid on the need for progress in the efforts towards a ban and elimination of chemical weapons, towards a limitation and discontinuance of nuclear tests, as well as towards halting the naval arms race.

It was noted with satisfaction that the psychological climate in the world at large and in Europe in particular is changing and that the Vienna follow-up Conference on Security and Cooperation in Europe can be successfully completed. New political thinking is gaining ground in international relations today, and new wider opportunities open up for the promotion of East-West relations, especially in solving the Europewide problems of disarmament, confidence building, economic and humanitarian cooperation in the spirit of equality and of the balance of interests and to the benefit of all Europeans.

Iceland's foreign minister showed interest in the processes of restructuring in the socialist countries. Mr Petur Mladenov supplied his host with details on the reforms in Bulgaria, on the nature and orientation of the changes carried out in the other socialist countries. His Icelandic counterpart commended highly the positive impact of restructuring on the sphere of international relations.

Mr Petur Mladenov briefed Mr Steingrimur Hermannsson on the situation in the Balkans, on the major results of the Belgrade meeting and on the first steps along the road towards the implementation of its decisions, as well as on the view which Bulgaria takes on matters of peace and disarmament.

Mr Steingrimur Hermannsson discussed Nordic security and cooperation and more specifically the idea to denuclearize that part of the world. He set forth his country's position in favour of a nuclear-free world. He recalled the resolution adopted by Iceland's parliament which called for a nuclear-weapons-free zone extending from Greenland to the Urals.

The sides also exchanged views on certain regional problems in international relations.

"Our meeting was very constructive and it was held in a cordial atmosphere," Mr Steingrimur Hermannsson told the BTA special correspondent after the session of talks was completed. He singled out the fact that in discussing a number of matters of bilateral concern, his Bulgarian guest and he had stressed the need for efforts to be made towards wider cooperation in trade and towards enhanced business contacts.

Later in the day, Mr Petur Mladenov was received by Mrs Vigdis Finnbogadottir, president of the Republic of Iceland. They discussed some key aspects of peace and disarmament.

The Bulgarian minister of foreign affairs conveyed to Mrs Finnbogadottir greetings from Mr Todor Zhivkov, president of the State Council, and renewed his invitation for her to visit Bulgaria.

Specific ideas for wider cooperation between the two countries' parliaments were discussed as Mr Petur Mladenov conferred with Mr Thorvaldur G. Kristjansson, speaker of the United Althing (Iceland's parliament).

Communist Action Saving Jews Commemorated

AU2905130588 Sofia RABOTNICHESKO DELO in Bulgarian 26 May 88 p 3

[Article by Senior Scientific Fellow Stoyan Rachev: "Loyal to Their Class and Humanitarian Duty"—"On the 45th Anniversary of the Bulgarian Workers Party Action To Save the Jews in Bulgaria"]

[Excerpts] One of the most monstrous crimes committed by Nazi Germany in World War II was the Holocaust against the Jews in their country and in the territories occupied by the Nazis, as well as in the satellite states. The Bulgarian monarcho-fascist regime also practiced a policy of anti-Semitism and Bulgarian Jews were threatened by a great danger.

In the fall of 1939 the fascist organizations in Sofia committed a series of pogroms, and in autumn 1940 Bogdan Filov's government submitted a Draft Law on the Protection of the Nation to the National Assembly. These actions evoked the indignation of the progressive Bulgarian public. The Bulgarian Workers Party stood at the head of the struggle for the defense of Bulgarian Jews. Communist deputies such as L. Dyukmedzhiev, and Dimo Kazasov, a distinguished public figure, severely criticized this draft law imposed under foreign influence. Writers such as Todor Vlaykov, Stoyan Chilingirov, Elin Pelin, Nikolay Liliev, Elisaveta Bagryana, Mladen Isaev, and others, declared in a letter to the National Assembly that this law would remain a dark page in our country's modern history. Energetic protests were also voiced against the draft law by the leaderships of the bar association, war veterans, and medical and other societies.

Influenced by appeals and slogans launched by the Bulgarian Workers Party, petitions were submitted to the National Assembly by local organizations, scientific institutions, and so forth against the draft law by tobacco workers, cobblers, tailors, barbers, traveling merchants, bakers, and textile workers. Despite all these protests, the Law on the Protection of the Nation was adopted on 24 December 1940 and put into effect in January 1941. [passage omitted] The new law was in full contradiction with the Turnovo Constitution and a nationwide movement developed throughout the country in defense of the Jews.

After Bulgaria joined the Tripartite Pact (on 21 March 1941), Bulgarian Jews were exposed to even greater danger. Some of them were interned in different parts of the country under the pretext of engaging in anti-German propaganda. [passage omitted]

In January 1943 T. Danecker, a Gestapo member, arrived in Bulgaria in connection with the deportation of Bulgarian Jews. With the participation of P. Gabrovski, minister of internal affairs, and Al Belev, commissary on Jewish questions, a special plan was prepared. The action of deporting 3,500 Jews to special camps began on 7 March 1943. This provoked a new protest wave against the Filov government. As many as 43 National Assembly deputies submitted a document to the prime minister against the deportation of Jews from the country. National Assembly Deputy Petko Staynov warned that German vessels on the Danube were ready to sail. Members of the Holy Synod met King Boris and Bogdan Filov and violently protested against the deportation of Jews, insisting that it should stop immediately. Despite the expanding mass movement, however, the government did not change its intentions. [passage omitted]

In those dramatic days the Bulgarian Workers Party headed the struggle of the Sofia working people. The party appealed to the entire population—to politicians, public figures, writers, priests, workers, and mothers, urging them not to permit the forced deportation of Jews from Sofia, while calling on the Jews themselves not to leave the capital, regardless of threats.

This struggle culminated in the action of 24 May 1943, when the Bulgarian Workers Party Central Committee adopted the following decision: The Third District Party Committee in Sofia, where most Jews lived, was instructed to organize a demonstration against the deportation of Jews. The action was placed under the leadership of Todor Zhivkov, then member of the Sofia Okrug Committee. [passage omitted]

The great action organized by the Bulgarian Workers Party fulfilled its role. Under the strong pressure of the people's masses and the victorious advance of the Soviet Army on the Eastern Front, the government decided to give in, by renouncing the deportation of Bulgarian Jews outside the country. Beckerle, the German ambassador in Sofia, reported to Berlin that no Bulgarian Jews would be deported. Thanks to the Bulgarian people's resistance, not one Jew was deported to Hitler's death camps.

The Bulgarian Communists and all decent people in our country thus fulfilled their human and moral duty, by making a brilliant contribution to the cause of humanitarianism and political maturity which all our generations can be proud of.

CTK Reports Moscow Summit Opening

LD2905155788 Prague CTK in English
1459 GMT 29 May 88

[By Karel Filek]

[Text] Moscow May 29 (CTK)—The Soviet-U.S. summit opening today has been for a long time the theme of considerations about the development of relations between the two superpowers to date and their future, with Soviet and foreign political observers pointing out the shift in these relations from confrontation to cooperation which has a positive influence on the overall development of the political situation.

U.S. President Ronald Reagan, who only several years ago spoke about the Soviet Union as an "empire of evil", has now arrived for his already fourth meeting with top Soviet representative Mikhail Gorbachev. Already their previous meetings have shown that in spite of principle differences in views, the two statesmen are able to work together and jointly achieve positive results.

The treaty on the liquidation of medium- and shorter-range missiles is unequivocally considered the greatest success of their talks to date, although the protractions around its ratification in the U.S. Senate again proved that there still exist forces in the United States opposing not only disarmament but also any understanding with the Soviet Union.

However, a majority of Americans have recognized the nonsensicalness of further arms race which would not only increase the danger of a nuclear catastrophe but also drain away immense resources needed in the economy as shown by the fact that in the 1947-87 period, the United States' military spendings exceeded the value of all civilian industrial facilities, including equipment, and all infrastructure of the United States.

A change of arms production into production for peaceful purposes would not only benefit the two superpowers but would also open up the possibilities of cooperation in the solution of a whole range of global problems no matter if it be in the sphere of medicine, biology, ecology or of joint space flights.

It was very likely the influence of the public opinion which played the decisive role in the changes observed in the policy of the Reagan administration. As has been shown by the latest public opinion polls, almost three quarters of Americans support the treaty on the liquidation of medium- and shorter-range missiles and the same number of them call for 50-per cent cuts in strategic offensive weapons.

It must be noted, however, that a significant shift has also occurred in the foreign-political practice of the Soviet Union. The policy of restructuring carried out by the new Soviet leadership has the determining influence on the formulation of the country's new foreign political line. There exists an organic link between the restructuring in the Soviet Union and the restructuring of international relations.

U.S. Human Rights Discussion Criticized

LD3105103388 Prague CTK in English
0656 GMT 31 May 88

[Text] Prague May 31 (CTK)—RUDE PRAVO today analyzed the different Soviet and U.S. concepts of security and made it clear that the discussion of human rights issues can no longer be used by the Americans to trouble the waters before the primary issue, disarmament, is debated at summits.

Politicians in Washington do not understand the Soviet concept of security, the Soviet notion of what international relations should be like.

The Soviet Union bases its concept on "sufficient defence capability, i.e. having the lowest possible level of armed forces which is necessary for defence". This means substantial cuts in troops and armaments. Those who want to attack must have a superior strength. "This is why the attempts to gain military superiority are fertile soil for the policy of confrontation."

Indeed, the Soviet notions do not fit in with the American ways of political thinking. For centuries, the Americans based the security and interests of states on the pyramid of strength. The gist of the matter is that this way of thinking and the practical policies resulting from it have always ended in a confrontation as the shaky balance caved in at a certain moment.

"Certainly, the Soviet views are new, and even epoch-making, and this is why they also require time for tests and experiments. Nevertheless, it is necessary to understand them and identify oneself with them." None of the Soviet aims in foreign policy can be fulfilled without the contribution of the partners. No one will disarm unilaterally, everything is possible in mutual coordination, "the arms of the balance must not be thrown off position for a second".

RUDE PRAVO referred to President Reagan's oft repeated statement that there is armament because the partners do not trust each other. "However, seeking confidence and arming at the same time does not make sense. Disarming, and thus beginning to trust each other—this is the logical and reasonable road leading forward", the paper wrote.

It noted that at the current Moscow summit the President is reported to have presented the human rights issue in a "strongly" worded statement. He spoke much about it, and in a confrontational spirit. "The Americans actually do this at every summit. They bang on the table and trouble the waters before the main and primary issue, talks on disarmament, begin". This time the Soviet

hosts did not let themselves be thrown off balance. Mikhail Gorbachev replied that the Soviet Union was just as interested in human rights as the USA and wanted the issue to be discussed at a forum considered suitable by the USA.

"The Americans' gunpowder has got wet. Somehow they failed to notice that substantial changes have taken place in the Soviet Union, that the development of democracy is one of the basic tools and manifestations of the Soviet policy of restructuring. The problem is turning the other way round. Today...it is up to the Soviet Union to ask questions about human rights observance in the United States. The American guests do not feel at all comfortable in this situation which is new also for them", RUDE PRAVO wrote.

Indra Congratulates USSR's Khristoradnov
AU2705122288 Prague RUDE PRAVO in Czech 26 May 88 p 1

[CTK report: "On His Being Elected"]

[Text] Prague—Alois Indra, CPCZ Central Committee Presidium member and chairman of the CSSR Federal Assembly, sent a congratulatory telegram to Yuriy Khristoradnov on the latter's election to the office of chairman of the Soviet Union of the USSR Supreme Soviet.

Delegation to UN Disarmament Session Appointed
AU3105124188 Prague RUDE PRAVO in Czech 27 May 88 p 1

[CTK report: "Czechoslovak Delegation Appointed"]

[Text] Prague—The CSSR Government has appointed the Czechoslovak delegation to the third extraordinary UN General Assembly session on disarmament, which will start in New York on 31 May 1988.

The delegation will be headed by Bohuslav Chnoupek, CSSR minister of foreign affairs. Its other members are Evzen Zapotocky, permanent CSSR representative to the UN, Milos Vejvoda, permanent CSSR representative to the UN Geneva office, and Jiri Pavlovsky and Vaclav Mikulka, staff members of the Federal Ministry of Foreign Affairs and of the CSSR's permanent mission to the UN.

Chnoupek Leaves for Session
LD2905145188 Prague CTK in English 1323 GMT 29 May 88

[Text] Prague May 29 (CTK)—Czechoslovak Foreign Minister Bohuslav Chnoupek left here today for New York to head Czechoslovakia's delegation to the 3rd special session of the U.S. General Assembly on disarmament.

Jakes Greets Canada's Hewison on Election
AU2705122188 Prague RUDE PRAVO in Czech 26 May 88 p 1

["(Z)"-signed report: "Congratulations to Canada"]

[Text] Prague—Milos Jakes, CPCZ Central Committee general secretary, sent George Hewison, newly elected general secretary of the Communist Party of Canada, a congratulatory telegram in which he expressed the conviction that the firm ties binding our parties would continue to develop on the principles of Marxism-Leninism and proletarian internationalism for the benefit of peace and social progress.

Janku Rejects Cardinal Tomasek's Letter
AU2905075088 Prague RUDE PRAVO in Czech 25 May 88 p 2

[Interview with Deputy Minister Vladimir Janku, director of the Government Secretariat for Church Affairs, by Jaroslav Kojzar: "We Will Continue To Pursue a Businesslike Dialogue With Church Officials;" place and date of interview not given]

[Text] On Saturday [21 May] RUDE PRAVO readers read a CTK report on CSSR Deputy Premier Matej Lucan's meeting on Friday [20 May] with bishops and ordinaries of the Roman Catholic Church and representatives of the Pacem in Terris Association of Catholic clergy. Today we return to the issues discussed at that meeting in an interview with Deputy Minister Vladimir Janku, director of the CSSR Government Secretariat for Church Affairs.

[Kojzar] CSSR Deputy Premier Matej Lucan spoke at the above meeting about the church policy of our state and about the approaches characterizing this policy at present. What is at the heart of these approaches?

[Janku] The process of restructuring and new thinking require, above all, that the actual state of affairs be used as the point of departure in all sectors. Proceeding from the actual state of affairs in this instance means proceeding from the fact that the believers are full-fledged citizens of the state and that the churches are an integral component of society. Believing citizens, together with other citizens, take part and will continue to take part fully in the entire process of changes, in the further development of society.

Regular contacts and dialogue with church officials are the centerpiece of church policy. This makes it possible to deal with various outstanding issues and to enhance the positive attitude of the clergy toward the CSSR.

[Kojzar] How do church representatives respond to the process of restructuring and to this specific development?

[Janku] The absolute majority of church representatives responds very positively to the current general course of our society's further development. A number of official church bodies had even earlier [prior to the 20 May meeting] clearly expressed their support for this policy of the state, particularly the Committee of Church and Religious Officials, which comprises the highest-level and high-level representatives of all churches in the CSSR, the Ecumenical Church Council, the Regional Association of the Christian Peace Conference, and the Pacem in Terris Association of Catholic clergy.

The discussion between representatives of the CSSR Government and the governments of the two republics and representatives of the Roman Catholic Church at the aforementioned meeting on 20 May ended up on a constructive note. In an extensive discussion, which involved virtually all participants in the meeting, the representatives of the Roman Catholic Church confirmed their interest in further deepening good relations between the church and the state. The only path conducive to this is that of a constructive dialogue, based on mutual trust and on shared responsibility for the socialist homeland. That is why the participants in the meeting at the same time dissociated themselves from irresponsible efforts to misuse religion for political aims, to instigate an atmosphere of confrontation and organize various pressure campaigns.

[Kojzar] How do various foreign and domestic forces that pursue different objectives respond to the current development?

[Janku] About a year ago these foreign as well as domestic circles, which do not care in the least about the interest of believers or churches, but whose concern is just to misuse them politically against Czechoslovakia, greatly intensified their attacks and invectives. The Western broadcasting stations, for example, have substantially increased the number of programs that systematically slander our state, alleging that it suppresses religious freedoms. The so-called Radio Free Europe currently carries more than 80 features a month on this subject; the Voice of America and other Western broadcasting stations have similarly increased the frequency of such programs.

The exponents of these circles at home, in Czechoslovakia, have also substantially intensified their efforts to organize various campaigns and other operations pursuing the same goals and objectives. The point simply is that at a time when Czechoslovakia set out on the demanding process of restructuring, in which genuine problems are really being solved, attempts are being made to put obstacles in the way of this positive development, to artificially and forcibly generate an atmosphere of tension and confrontation between the state and the churches or, if possible, the believers.

At present these individuals and groups, which we sometimes generally refer to as illegal church structures, exert efforts, in particular to involve church officials and, if possible, also believers in their political aims and to win among them support and some kind of a base for their interests. However, apart from isolated exceptions, these efforts do not have the desired effect. We must add that foreign centers and their domestic exponents organize what is literally moral terror, culminating even in threats of physical terror, against those leading church representatives who reject this pressure in the name of the genuine interests of the church.

[Kojzar] When you speak about exceptions, are you thinking of the pressure which the aforesaid circles exert on Cardinal Frantisek Tomasek?

[Janku] The representatives of these circles have for a long time been making systematic efforts to influence Mr Cardinal. They are making no secret of their ambition to win for their aims the authority of a high church dignitary. In our talks with Mr Cardinal and also in our talks with the Vatican delegation we discussed these issues openly. We agreed with the Vatican delegation in that this pressure on Mr Cardinal definitely does not benefit a positive development of relations and we received assurances about [the Vatican's] readiness to curtail these efforts.

[Kojzar] How do you view the letter recently sent by Cardinal Tomasek to the CSSR Government from this viewpoint?

[Janku] The letter of Mr Cardinal represents in its content a summary of the demands of the aforementioned illegal structures and, at the same time, an attempt to "authorize" them through the personality of the Prague archbishop. The actual inspirers and authors of the letter are known. They belong to the most militant representatives of the illegal structures.

[Kojzar] How did the CSSR Government react to the letter sent to it by Mr Cardinal?

[Janku] As has already been reported, last week CSSR Deputy Premier Matej Lucan delivered to Mr Cardinal the government's answer to the letter. The answer says that the letter contains misinformation about the church, but not only the church, but also the policy of the state. While it stands up for persons who infringe the laws of the state, it attacks upright priests holding peaceful and patriotic positions and quite absurdly ascribes to them some kind of a negative role in church-state relations.

In words, the letter purports to propose dialogue. In reality, however, it is a platform of those who wish confrontation. It cannot therefore serve as a basis for constructive talks.

[Kojzar] Attention has been aroused by some international connections, especially by the fact that the letter was published in the West immediately after being delivered to our government.

[Janku] If someone sends a letter to the government with the concrete aim of proposing a dialogue, he will naturally wait for its response. The actual procedure, however, was just the reverse. The letter, dated 23 April 1988, was delivered by a messenger only on 3 May 1988. The same day some Western papers and agencies published reports on the letter and on 9 May 1988 the text of the letter was published in full. This procedure attests to the fact that the purpose was not to raise an earnest discussion but, above all, as the government noted also in its reply, to provide a pretext for the Western media for new attacks against the CSSR and an impulse for confrontation.

[Kojzar] In its recent delivery of a positive opinion on the appointment of three bishops the Czechoslovak leadership explicitly linked its constructive attitude with the Vatican's dissociation from various pressures exerted by emigres, revanchist and clerico-fascist forces, and all kinds of illegal political circles. It was stressed that the Holy See wishes the church in the CSSR to fully fit into our social system and that it wishes to have bishops who provide guarantee of good, orderly relations between the church and the state. In this connection, attention is aroused by the fact that it was precisely Radio Vatican that committed the extreme impropriety and discourtesy of publishing Cardinal Tomasek's letter without waiting for a reply to it. What is your opinion about all this?

[Janku] In our talks with the Vatican delegation, the subject of Radio Vatican is broached very often. The Vatican delegation has more than once totally dissociated itself from its programs and stressed that Radio Vatican is not an expression of the positions of the Holy See. The fact is, at any rate, that a situation has now arisen, in which the position of Radio Vatican must be characterized expressly as an overt attempt to disrupt the long-term [dlouholety] platform of negotiations between the CSSR and the Vatican. It will evidently be up to the relevant Vatican circles to provide an explanation.

[Kojzar] Given this situation, how do you view the prospects of the further development of relations between the Czechoslovak state and the Roman Catholic Church?

[Janku] As a result of its dialogue with the ordinaries [of the Roman Catholic Church] and with the Pacem in Terris Association of Catholic clergy, a dialogue which dates back some time, the government has adopted a solution to a number of questions proceeding from the real needs of the church and of believers. At the same time it stressed that it will actively continue to pursue this sensitive and businesslike dialogue with all those church representatives who sincerely wish it.

The church representatives received the measures, about which Comrade Matej Lucan briefed them on at the aforementioned meeting, as a practical confirmation of goodwill and they gave assurances of their efforts to comprehensively assist in further deepening good relations between the church and the state.

RUDE PRAVO Correction

AU2905081088 Prague RUDE PRAVO in Czech 26 May p 2

["Z"-signed report in the "By Teletype, Mail, Telephone..." column: "Correction"]

[Text] A mistake occurred in the interview with Deputy Minister Vladimir Janku, which RUDE PRAVO published on 25 May under the headline "We Will Continue To Pursue a Businesslike Dialogue With Church Officials." The third sentence in the penultimate reply [paragragh twenty-two, sentence three] should correctly read: The fact is, at any rate, that a situation has now arisen, in which the position of Radio Vatican must be characterized expressly as an overt attempt to disrupt the **agreed** [dohodnuty; boldface word as published] platform of negotiations between the CSSR and the Vatican. We apologize to our readers.

'New Series of Chats' on Hostile Propaganda

AU2705115388 Bratislava PRAVDA in Slovak 19 May 88 p 2

[CTK report in the "Brief Information" column]

[Text] Ideological Struggle and Restructuring [subhead]

Viktor Borsky, director of a department of the Federal Office for Press and Information, answered questions concerning the ideological struggle under the conditions of restructuring in Prague yesterday [18 May]. This was the beginning of a new series of chats devoted to findings acquired from analyses of hostile propaganda. Viktor Borsky stressed that some successes achieved in the relaxation of international tension, in disarmament, and such like, do not mean that the attitude of the imperialist states to the question of coexistence between capitalism and socialism has changed. At present there is an obvious attempt on the part of centers of ideological subversion to transfer the centerpiece of the ideological struggle to the individual socialist states. For example, in Czechoslovakia there have been attempts to galvanize believers into political activity and misuse their religious feelings for the political objectives of some antisocialist forces.

Kohl on Unofficial Visit; No Talks Planned

LD2805162388 Hamburg DPA in German 1523 GMT 28 May 88

[Text] Bonn (DPA)—Chancellor Helmut Kohl is in the GDR this weekend for a private visit. DPA learned from government circles on Saturday that Kohl will visit Gotha, Erfurt, Weimar, and Dresden, among other places. The chancellor is accompanied by his wife Hannelore and his son Peter.

Kohl left for the GDR on Friday afternoon. He will return to the FRG on Sunday. His present visit is his first to the GDR since his election as chancellor in 1982. However, he had made several private visits to the GDR before his election.

Kohl had planned to make a private visit last autumn, but it was cancelled on short notice.

It was asserted in Bonn that no political talks were planned between the chancellor and GDR representatives. It was also learned that Kohl is being accompanied by Government Spokesman Friedhelm Ost and by Wolfgang Bergsdorf, head of the domestic section of the Federal Press Office.

FRG Plane Crosses Border; Embassy Protests

LD2805151888 East Berlin ADN International Service in German 1238 GMT 28 May 88

[Text] Berlin, 28 May (ADN)—On 26 May 1988, a single engine aircraft with the probable registration number D-EBAU, flying from the FRG, violated GDR airspace in the Suhl Bezirk, Sonneberg Kreis. It continued its flight, despite several requests to land in accordance with international rules, and left GDR airspace near Vacha in Bad Salzungen Kreis. The plane also violated GDR airspace in this area.

Thanks to the calm action of the authorities responsible for securing GDR airspace there were no serious consequences.

The GDR Permanent Mission to the FRG protested at the FRG chancellor's office in the strongest terms against these renewed violations under international law of GDR airspace, and expressed the expectation that the relevant FRG authorities will now take effective steps to prevent violations of GDR airspace.

Honecker Receives FRG CDU Parliamentarian

LD2705132788 East Berlin Voice of GDR Domestic Service in German 1300 GMT 27 May 88

[Text] Erich Honecker, SED Central Committee general secretary and GDR State Council chairman, today received Alfred Dregger, chairman of the CDU/CSU Bundestag group. The exchange of views, held at the State Council in Berlin, was attended by Frank-Joachim Herrmann, head of the chancery of the State Council chairman, and secretary of state; Guenter Rettner, departmental head in the Central Committee; and Karl Seidel, head of the FRG Department in the Foreign Ministry. Dr Hans-Otto Braeutigam, head of the FRG's Permanent Mission in the GDR, was also present.

Romanian Premier Constantin Dascalescu Visits

Arrives 30 May

LD3005085588 East Berlin ADN International Service in German 0836 GMT 30 May 88

[Text] Berlin, 30 May (ADN)—Romanian Premier Constantin Dascalescu arrived in Berlin this morning for a visit to the GDR. He was invited by Willi Stoph, chairman of the GDR Council of Ministers, who welcomed his guest at Berlin's Schoenefeld Airport.

Also at the airport to welcome the guest were Werner Krolikowski, first deputy chairman of the Council of Ministers; Guenther Kleiber, deputy chairman of the Council of Ministers; and other GDR officials.

Talks With Stoph

LD3005112588 East Berlin ADN International Service in German 1056 GMT 30 May 88

[Text] Berlin, 30 May (ADN)—Willi Stoph, chairman of the GDR's Council of Ministers, and Romanian Prime Minister Constantin Dascalescu, met in Berlin this morning for a first round of friendly talks.

During the course of the discussion, Willi Stoph and Constantin Dascalescu primarily dealt with issues concerning the development of bilateral relations. They agreed that these had reached an advanced stage and that further progress had been achieved in numerous areas of cooperation.

The Romanian prime minister arrived in Berlin today for a visit to the GDR.

Discussions Described

LD3005180288 East Berlin ADN International Service in German 1616 GMT 30 May 88

[Text] Berlin, 30 May (ADN)—Official talks between Willi Stoph, chairman of the GDR Council of Ministers, and Constantin Dascalescu, prime minister of the Romanian Government, took place this afternoon in the Council of Ministers building.

Both partners in the talks used the meeting for an exchange of opinions on international problems and on the state of and prospects for bilateral relations. They particularly praised the results of the realization of the October 1987 agreements between the leading representatives of the two parties and states, Erich Honecker and

Nicolae Ceausescu. Willi Stoph and Constantin Dascalescu informed each other on current questions of the domestic development of their countries in carrying out the decisions of the 11th SED Congress and the 13th RCP Congress.

Willi Stoph stressed that the party's policy is understood well by the working people of the GDR. This is proved by the many-sided initiatives in socialist competition. The strength of the national economy, which has grown on this foundation, is used to secure the people's material and cultural living standards and to raise them as planned. The proven course of the unity of economic and social policy will be continued consistently.

Constantin Dascalescu explained in particular the tasks set by the RCP national conference in December 1987 for further socialist construction in the Socialist Republic of Romania. Changes aimed at results are taking place in all areas of social life thanks to the vigor and the creativity of the working people.

It was agreed that both states will continue to contribute actively to the strengthening of socialism. Each party has the task, with full responsibility before its people, to find solutions for the demands of social affairs which best take into account the actual state of affairs.

During the discussion of international questions, Willi Stoph and Constantin Dascalescu established that there are now more favorable conditions for a framework for the search for solutions to consolidate international security. Together with their allies, the GDR and the Socialist Republic of Romania support the dismantling of nuclear weapons of every range in Europe, the banning of chemical weapons and their liquidation, and the reduction of conventional forces and arms.

The hope was expressed that the present Soviet-U.S. summit meeting taking place in Moscow will bring further progress on the path of detente and disarmament. Willi Stoph pointed to activities undertaken jointly with the CSSR for the creation of nuclear and chemical weapons-free zones in central Europe and to the initiative of the GDR for an international meeting for nuclear weapons-free zones, which will take place 20-22 June this year in Berlin. This initiative has found a broad international echo on account of its timeliness. The ratification of the INF Treaty by the Supreme Soviet Presidium and the U.S. Senate was received with satisfaction.

Constantin Dascalescu expressed Romania's support for the International Meeting for Nuclear Weapons-Free Zones in Berlin. He gave information on Romania's efforts to free the Balkans from nuclear and chemical weapons.

Mutual relations played a large part in the premiers' consultations. Willi Stoph and Constantin Dascalescu said fraternal collaboration between the SED and the RCP shows the way to the shaping of these relations in all spheres. The commitments entered into in the meetings of the leading representatives of the two parties and states, Erich Honecker and Nicolae Ceausescu, are being purposefully implemented. The high level of cooperation between the two states is increasingly reflected in concrete results which benefit both sides.

The two partners in the talk noted with satisfaction that economic and scientific-technical cooperation is developing favorably on the basis of the "Program of Development of Economic and Scientific-Technical Cooperation, Specialization, and Cooperation in Production Between the GDR and the SR of Romania to the Year 2000," signed at the highest level.

This is illustrated particularly by the increase in trade and in the further expansion of specialization and cooperation in production. In the past few months, the joint Government Commission for Economic Cooperation and the responsible industry ministries of both countries have coordinated further projects for specialization and cooperation in production and new projects for the development of scientific-technical cooperation in important areas of the national economies. A good basis has been created for the coordination of the national economic plans for the period 1991-95. This is also in accordance with the commitments of the 43d meeting of the CEMA.

The partners in the talk attached great importance to the exchange of views and experiences on topical tasks in the shaping of a developed socialist society and in directing contacts between state and economic bodies and between social organizations on the basis of agreements. In cultural and scientific cooperation the reciprocal days of culture planned for the coming year should become a high point of cooperation in this sphere.

In conclusion, Willi Stoph and Constantin Dascalescu reaffirmed the firm determination of their governments to further strengthen fraternal relations between the GDR and the Socialist Republic of Romania.

Taking part in the talks, which were held in an atmosphere of friendship and mutual understanding, were:

For the GDR: Guenther Kleiber, deputy chairman of the Council of Ministers and chairman of the GDR section of the Joint Government Commission for Economic Cooperation between the GDR and the Socialist Republic of Romania; Herbert Krolikowski, state secretary and first deputy minister of foreign affairs; Horst Tschanter, deputy chairman of the State Planning Commission; Dietrich Lemke, deputy minister of foreign trade; and Herbert Plaschke, GDR ambassador to the Socialist Republic of Romania.

For the Socialist Republic of Romania: Gheorghe Oprea, first deputy prime minister of the Government of the Socialist Republic of Romania and chairman of the

Romanian section of the Joint Government Commission for Economic Cooperation Between the GDR and the Socialist Republic of Romania; Constantin Stanca, minister state secretary in the Ministry of Foreign Trade and International Economic Cooperation; Constantin Oancea, deputy minister of foreign affairs; Alexandru Stanescu, deputy minister of the machine building industry; Serban Mihailescu secretary of the Council of Ministers; and Gheorghe Caranfil, ambassador of the Socialist Republic of Romania to the GDR.

Further on Talks

LD3005205688 East Berlin ADN International Service in German 1816 GMT 30 May 88

[Text] Berlin, 30 May (ADN)—The premiers of the GDR and Romania, Willi Stoph and Constantin Dascalescu, met in Berlin this evening and praised the continuous shaping of friendly relations and all-around cooperation between their two countries.

At a dinner Willi Stoph gave for Constantin Dascalescu in Niederschoenhausen Castle, they voiced certainty that fresh impetus would issue from their meeting for developing relations between the two countries.

In his toast, Willi Stoph expressed the conviction that with the "Joint Work Tasks for Deepening Specialization and Cooperation and of Scientific-Technical Cooperation for the Period to 1995," which is to be signed tomorrow, an important contribution will be made to realizing the commitments entered into during the meeting between Erich Honecker and Nicolae Ceausescu in October 1987. The long-term program for developing economic and scientific-technical cooperation, specialization, and cooperation in production to the year 2000, signed in 1985, is proving itself in practice.

Thanks to the peace policy of the Soviet Union and the other socialist states and of all peace-loving forces, a change for the better was becoming apparent in the international situation, the GDR premier said. The start of nuclear disarmament that had been made possible with the Soviet-U.S. INF Treaty was an event of historic scale and convincing proof of what is possible when reason, realism, and goodwill determine the climate of international relations.

The ratification that has now taken place fills us, as a country directly affected by this treaty, with great satisfaction, Willi Stoph said. The Moscow summit is linked with worldwide hopes for further results.

The International Meeting for Nuclear Weapons-Free Zones, to be held in Berlin from 20 to 22 June, is intended to support the disarmament process. All other proposals and initiatives directed toward implementing the peace program of the socialist community of states will also be supported. The GDR thus attaches great importance to the proposals of Romania and Bulgaria for transforming the Balkans into a zone without nuclear and chemical weapons, for the progress of the disarmament process in this region.

In his reply, Constantin Dascalescu said that the jointly conducted talks permitted the statement that the economic potential of the two countries offered greater possibilities for even stronger development of bilateral cooperation. The new work program for the period 1988 to 1995 that was to be signed was proof of this.

Starting from the assumption that the transition to disarmament, and above all to nuclear disarmament, is the fundamental question of the age, the premier spoke in favor of increased cooperation of all peoples against a policy directed toward tension and war, which would inevitably end in a nuclear catastrophe. He stressed the need to dispense with nuclear arming and to work for the realization of relevant agreements involving all states, in order to eliminate all nuclear wepaons, in several stages, by the year 2000.

It is necessary to implement the agreement between the USSR and the United States on the elimination of nuclear intermediate-range missiles as soon as possible, and to sign an agreement to reduce strategic nuclear weapons by 50 percent. Romania also favors resolutely proceeding to the reduction of conventional arms. Romania is consistently working toward transforming the Balkan region into a zone of peace and good-neighborliness, without chemical and nuclear weapons and without foreign military bases, and supports the establishment of nuclear weapons-free zones in central and northern Europe and in other regions of the world.

NEPSZABADSAG on Soviet-U.S. Summit

LD2805074888 Budapest MTI in English 0031 GMT 28 May 88

[Text] Budapest, May 28 (MTI)—The Saturday "NEPSZABADSAG" carries an editorial on the Gorbachev-Reagan summit to open on Sunday. Excerpts:

'The road to the summit has been long, and the part taken by Ronald Reagan was also long. Did any of us believe even four years ago that the President will start negotiations with the Soviet leader? Tomorrow he will set a new record: He is meeting with Mikhail Gorbachev for the fourth time in two and a half years. There has been no President since the Second World War who has had such frequent contact with the Soviet leadership.'

'Naturally, the U.S. President has not given up his conservative principles, but he is ready to face reality. His merits are not diminished by the fact that since the April plenary session of 1985 reality itself has changed. This process has brought about such a turn both in the Soviet domestic and foreign policy that it transformed the traditional conceptions formed by the world.'

'The fourth Reagan-Gorbachev summit bears the opportunity of a fifth, with Budapest as a possible venue. The Soviet general secretary declared that he is ready to sign an agreement on the 50 per cent reduction of strategic arms, provided it is reached in the term of Reagan. The general secretary expects a new level of understanding and the long-term improvement of Soviet-U.S. relations from the Moscow summit. So does the world,' says "NEPSZABADSAG. [quotation marks as received]

Hamori Party Conference Speech Published

AU2805113988 Budapest NEPSZABADSAG in Hungarian 21 May 88 p 5

[Report on speech by MSZMP Politburo Member Csaba Hamori, first secretary of the KISZ Central Committee, at the MSZMP National Conference on 20 May: "We Want a Society Oriented to the Future"]

[Text] "On whose side are the Hungarian young people today and what is the nature of these young people?"—Csaba Hamori asked in his introductory remarks. "Only the analysis of real practices can provide real answers here, too," Csaba Hamori continued. He then described the situation in seven decisive areas for youth. The population of our homeland has decreased by nearly 90,000 since 1980, and, at the same time, the number of people under the age of 30 has declined 4 times that. Forecasts for the turn of the century do not promise changes for the better. The surges of reform in education that occasionally gained strength and then subsided and the painful lack of financial resources have led to a situation today in which one out of every 20 teachers is unqualified. Also, at a time when only 24,000 students graduate from institutions of higher learning each year, nearly 10,000 students do not even complete secondary schools. Finding jobs is also a problem. As a whole, the economic units offer fewer numbers of jobs than there are numbers of graduates. This situation exists today when we are also facing the necessary process of restructuring.

Housing is the fourth area under discussion. Some 20 percent of the families do not have their own home even after waiting 5 years. Prices are rising so fast that the annual increase in the price of a small apartment in a housing project exceeds the entire annual wage of a young person at the beginning of his career. Csaba Hamori mentioned young people's wages as the fifth problem. While the real wages of those starting their careers have basically not changed since the beginning of the seventies, the wages of those between 50-60 years of age have doubled in the same period. Raising children has also become more difficult. Following the price increases in children's clothing, the family allowance covers at most one-fifth or one-fourth of the expenses. It is noteworthy that within the total social allowances the proportion of child support has declined by 20 percent since 1980. Csaba Hamori used statistics to describe the declining opportunities for young people to play a role in public life and eventually become leaders. It is hard today to find young people under the age of 30 in political organizations and in organizations that promote various interests. Since 1970, the number of young people among white collar workers has declined by 20 percent, and among leaders by 60 percent. These figures should be highlighted by the fact that every third worker in Hungary today is under 30 years of age.

An answer to the question of where the young people belong can be sought only on the basis of the above-mentioned facts, Csaba Hamori pointed out. He continued: "It is not realistic to expect a quick change in these activities. This is because responsible policy cannot make great promises for the coming years. It is also well known that it is impossible to give a separate answer to the young people on these problems because this would not be in harmony with the process of reform and because these problems do not apply just to young people. The decisive majority of young people live with families. Their problems thus become family problems, and as a result, problems facing all of society."

Still what can we do amidst our current shortage of funds to reverse this situation? Csaba Hamori also dealt with this problem in his speech. "Our answer is that we can hope for change only by creating greater performance in society, accelerating social and economic reform, and fundamentally transforming Hungarian socialism by making it more efficient and democratic. In the wake of comprehensive reform, the best of the young people—that is, the better educated and more diligent people, and those who are prepared for initiatives—will receive better positions that are more honorable as well as better financially. Young people are interested in quick and firm changes that provide prospects for the future. We want a society, oriented to the future, not one that will

only serve the interests of the young people. To achieve this, we must increase the importance of knowledge, work, performance, and readiness for economic ventures. We must begin doing something today for the long-term development of higher education and housing. We have proposals in all these areas—proposals that seek a solution that is in line with the necessary restructuring process and not proposals that will slow it down."

Csaba Hamori then dealt with reforming political institutions. He pointed out that only firm, independent, and open promotion of interests by public organizations can provide an answer to the dilemma of how to reduce the risk of mistakes to a minimum under the conditions of our one-party system and how to implement socialist political pluralism. A party which promotes a dynamic policy and whose organizations are also engaged in politics is attractive to young people. Dynamic societies—and this is proved by earlier Hungarian experiences—try to accelerate the political socialization of young people. Csaba Hamori stressed that to achieve this greater patience toward young people and broadening the scope of public life are needed.

Hamori then dealt with the situation of the KISZ. In recent years, the KISZ has been more strongly engaged in politics. The party, society, and the majority of young people welcomed this, while others have been annoyed by it. Csaba Hamori proposed strengthening those sections of the draft policy statement which encourage the KISZ to continue this political practice. Csaba Hamori then spoke about the weaknesses in KISZ activity. "Our mass activity and our practical organizational activity are poor among several strata of the young people; we have lost ground at the large universities, and our position is weaker among young people of 20 than among those of 30 years of age. There is a readiness within the KISZ to carry out a courageous renewal from within and to create a movement so constructed that it better suits the differences among young people!"

In concluding his speech, Csaba Hamori expressed the need for a comprehensive political change that would encompass the party and society as a whole. In the past, the KISZ endeavored to have the young people adopt a realistic approach to the prevailing situation and to the current conference. The debates of KISZ that mobilized masses of young people were carried out in this spirit. The young people and society as a whole today need above all prospects for the future—socialist prospects that are attractive and can be foreseen. Csaba Hamori pointed out: "We must correct the over-emphasized concept prevailing in public thinking that socialism must resemble the capitalist version of consumer societies. We cannot live in a dreamland of a consumer society. On the contrary, we can strengthen our homeland precisely by spreading the idea of production. While we demand greater performance from society, more work discipline, and greater firmness, we simultaneously call for more democracy. To achieve this, Hungarian socialism requires comprehensive reorganization. There is now both the need and the opportunity for this. Let us not miss this opportunity!"

Szabo Address to Party Conference Published

AU2705135588 MAGYAR NEMZET in Hungarian 22 May 88 p 4

[Report on speech by Politburo member Istvan Szabo, chairman of the National Council of Producer Cooperatives, and director of the Red Star Agricultural Cooperative in Nadudvar, at the MSZMP National Conference on 21 May: "The Future of Our Agriculture Depends on the Development of Our Society and Economy"]

[Text] Istvan Szabo expressed the opinion that due to external circumstances, the party's political scope was narrower than necessary and narrower than many people thought. In this connection, Istvan Szabo questioned whether, in its present scope, the party had done everything possible and necessary, and then said the following:

"Based on what I have learned over the last decades, I think that incomplete and slow reform measures, or their possible stop or reversal would dramatically reduce the performance capacity of the Hungarian society and the vitality of our economy.

"I also think that we need complex and coordinated but uniform changes in both the political and social institutions, changes that force us to work for, serve and encourage the development of creative zeal and potentials and make them become possible nationwide."

Istvan Szabo then evaluated Hungary's agricultural production and agrarian policy which, he said had greatly contributed to increasing the standard of living, to internal stability, and to fact that our results enjoy a good international reputation. This also strengthened the alliance between classes and strata of the society, and the consensus. It helped to no small extent to bear and overcome the difficulties of recent years. This was achieved primarily by the fact that we have never given up the joint functioning of various forms of property and of various sectors. The decisive role played by most flexible cooperative forms and the expedient integration of large and small-scale units, and of common and household property are our good innovations. Greater than average financial motivation, greater freedom in decisionmaking, and greater opportunities for taking risks and launching ventures also had favorable effects.

"In the sixties, and particularly in the seventies, with the establishment of various production systems, we also created the conditions for the purchase of most up-to-date large-scale agricultural technology and for industrial-type production. Investment goods imported for hard currency, materials needed for production, artificial fertilizers, pesticides, protein fodder, spare parts and other

materials were available at the minimum level of basic needs—but not at the level of real needs. Although the phenomena of shortage economy increased, we succeeded in preserving a relative order of supply.

"It is another thing, of course, that we did not everywhere always make a proper use of the opportunities we created ourselves. The well-known limitations and negative features of our domestic economic management affected us too. Thus, we lagged behind in implementing the requirements of quality and efficiency compared with our quantitative development. Modern integrated relations of joint interest between basic material production and processing did not prevail. The shortcomings in quality, readiness and discipline in honoring contracts, and in our style of conducting business must also be mentioned at this forum.

"Agricultural scissors have opened more than ever, interest in making profits has decreased, which has become an obstacle to production development. We must produce increasingly more in this sector of the economy with an unchanged stock of resources, smaller staff, and with an inadequate large-scale enterprise interest.

"The operational disorders that generally characterize Hungarian economy nowadays also affect the agricultural sector and endanger the success of advancement. Thus, the practice in which the budget redistributes the income of efficient units has not yet stopped in spite of our efforts; there are several hundred agricultural units that live from one day to the next; calling to account, generalizing, and appreciating good leadership skills, demand up-to-date professional knowledge, and the work style has stopped in certain places and has not even started in others. Thus, the cooperative peasants' income deriving from the common assets is lagging behind that of workers employed in other sectors of the economy.

"The demand for restructuring has some specific features in agriculture as the structure of this sector cannot be separated from economic-geographical conditions. We should also not forget that almost all farm products sell fairly well, even if at low prices. Being aware of this, we must create an up-to-date system of conditions and material conditions for the development of agricultural production, conditions that are the foundations of competitiveness. We should grant greater scope for the enforcement of the law of value, the play of market forces, and for competition based on equal opportunities. We should further ease the limitations prevailing in this sector and in its branches. We should discontinue the arbitrary ranking of the various forms of property and sectors.

The state cannot renounce the possibility of managing the economy and influencing the economic units to comply with its aims. But we should also eliminate the bureaucracy inherent in the system of regulations in order to develop a responsible and efficient entrepreneurial economy. The future of our agriculture depends on the development of our society and economy. Our agricultural and cooperative policy has long ago over the state farms, the producer cooperatives, the small producers, and the food industry. We can count on them and rely on their desire and interest to produce for a long time to come.

Lukacs Interviewed on Personnel Changes

LD2905215488 Budapest Television Service in Hungarian 1700 GMT 29 May 88

[Interview with Janos Lukacs, member of the Politburo and secretary of the MSZMP Central Committee, by unidentified moderator at the Central Committee Headquarters in Budapest, date not given—recorded; from "The Week" program]

[Text] [Moderator] In recent months I have really been unable to understand those who insisted on trying to reduce expectations. Where there are so many problems and tensions, moderate adjustments can only have the same effect as throwing oil on a fire. The whole country wanted the changes. However, what this means for each individual is something that will develop only in the future. It is true here as well, today as well, that one has to follow the road to the end.

I have spoken to Janos Lukacs at the Central Committee Headquarters. You were elected a member of the Politburo on Sunday. Have your functions as a Central Committee secretary changed?

[Lukacs] My functions have not changed. As a Central Committee secretary, and by now as a Politburo member, my main task in the party is to deal with the questions of party life, the internal life of the party, party matters, and with the development of relations that have existed up to now between the party and social organizations, links and relations, just as party life itself, that need to be modified.

[Moderator] We will return to this topic in this interview. I think that because of the nature of the task, few people knew that you were the head of the Nominating Commission, and thus were one of those who had prepared the personnel changes. It is natural that you encountered many diverse interests, but were there any attempts to influence you in favor of specific personal interests?

[Lukacs] Yes, there were such attempts. They tried to influence me, as well as virtually every member of the Nominating Commission. But, if you will permit me, I would like to give a very precise answer to this question. Our party conference was preceded by a very colorful and rich debate. When the Nominating Commission had been elected, we had to recall what the party membership had wanted to tell us during those debates on the tasks in the sphere of personnel decisions. This was that when

this issue was to be on the agenda at the party conference there should be a marked rejuvenation in the composition of the leading bodies of the party, that fresh strength should be brought in, and, if I may put it this way, there was a very strong influence exerted, both before and during the conference, in favor of there being more workers and more professionals in the Central Committee and the Central Control Committee.

[Moderator] The newly elected Central Committee has 108 members. How did this number come about?

[Lukacs] The old Central Committee had 106 members. The Nominating Commission proposed 113 persons to the party conference, recommending that they be elected members of the Central Committee. The 108 came about as follows: The delegate conference was basically in agreement with the 113 persons recommended by the Nominating Commission. They were in agreement during the nominating process. They were placed on the voting list. Then, in the secret ballot, five of our comrades were not elected members of the Central Committee.

[Moderator] The Politburo was elected by the new Central Committee. Who submitted recommendations the composition of the Politburo? Was there any debate on this among the Central Committee members?

[Lukacs] The Central Committee met in session. Our outgoing general secretary, Comrade Janos Kadar, proposed the new general secretary, and the members of the Politburo and the secretaries of the Central Committee. Before that, it had been raised at this session—something that was no secret to the delegates to the party conference—that Comrade Kadar had wanted to relinquish the post of general secretary and leave the operative work of the party. The Central Committee, the body that elects the party general secretary, the secretaries, and the Politburo, received this with understanding, and thereafter the nomination of the new general secretary, Comrade Karoly Grosz, and of the 11 members of the Politburo and secretaries of the Central Committee was on Comrade Kadar's recommendation.

I would like to tell you here that there were no questions or comments on the persons nominated. There was agreement. Basically, they were placed on the voting list without debate, and there was a secret ballot at the Central Committee session as well. I can tell you that the general secretary, and the members of the Politburo and secretaries of the Central Committee were all elected unanimously.

[Moderator] Several former Politburo members, who were not reelected to the Central Committee, still fill important leading posts in the party, state, and social organizations. What will happen to them? Will they have to resign?

[Lukacs] I think that at the same time as the direct decisions of the party conference there were also other decisions during the ballot that will have certain consequences. What I can say now is that the comrades concerned, as well as the organs and organizaitons where they serve, have to draw certain conclusions from this decision. Thus I believe that there will be more personnel changes.

[Moderator] What is your own personal experience? How was the news, the decision, received by those who, although nominated, did not get into the Central Committee?

[Lukacs] It is a difficult question because, in a human way, the emotions are very understandable. But here, if we mention such questions, I would like to approach this too, in a slightly wider way.

Although the work of the nominating committee was to make proposals as to who should get into the Central Committee and the Central Control Committee, this extended also to us, in the course of the nominating work, speaking to all those affected. So, when the nominating committee formulated its ideas, reached an agreement—of course, we knew who the members of the body in the past were—we told the comrades in a factual way what the intention of the nominating committee was, regarding personnel affairs concerning the bodies.

And, I mention at once, that we spoke also to those comrades—and they were not a few, for we proposed 37 new comrades to the Central Committee—as to what their opinion was. Would they undertake the nomination? We received a positive answer to this.

Those conversations, which had the aim of informing a few members of the old body that we were not nominating them for reelection, also went together with a very significant political experience. In a human way, the comrades affected received this with difficulty, almost without exception. We appreciate and understand this. We were much enriched politically and also as regards human behavior, for with very few exceptions the reply was that personally they were very much regretted that they could not continue working in the aforementioned bodies, but this should not, to put it thus, influence the Nominating Committee. We should start from the interests of politics and the party. And among them were old veterans of the party who became party members not now, in the time after the liberation, but before that. Well, that is how this nominating work and the conversations proceed.

Of course, we could not talk beforehand with those comrades who did not get elected during the secret ballot. Obviously, there was human contact with them too, afterwards. I consider it natural that those concerned, who did not get elected, in a human way, received the decision itself with shock and, I believe, in addition, very correctly. That is, they did not look here

for some particular people responsible, they did not here look for some kind of scapegoat. For what happened here, and I believe that already immediately after and increasingly with the passing of days they have been trying to rise above this hard decision, in a human way, as far as is possible. This is my experience.

[Moderator] According to practice to date, the general public cannot obtain information on the Politburo sessions. Will there be any change in this?

[Lukacs] Well, this question is on the work style of the elected bodies. I think that here, just as in the nominating, we must remember the wish—I could even say the demand—of the party membership, that they want to know more about what happens in the Central Committee, what happens in the Politburo, that is, in the leading party organs.

Starting from this, we believe that change has to be implemented in the work order, work style that has existed up until now. So, our work should receive more publicity, for the standpoint that was accepted with great agreement by the party conference contains this too: that the work of the party too should be more open than before, and more public.

[Moderator] Since we are on the subject, I believe that the new Politburo has already had a meeting this week. What was discussed?

[Lukacs] I would like perhaps to put it more precisely: We met. For we have not yet had an official session. Our general secretary asked the elected Politburo to meet for an exchange of opinions. We talked about how we envisaged the common work, what kind of work order the Politburo should work in, what the style of work should be. Well, on this too we carried out more of a sort of preliminary conversation.

[Moderator] In what kind of atmosphere?

[Lukacs, chuckling] What kind of atmosphere? I can say in a work atmosphere. This was not a subject on its own, but I saw in ourselves that, I think, we were tired. But we did not discuss this separately. Rather, what could be felt in the way we dealt with the questions there at once, in those matters on which we have to make decisions as early as next week, in connection with these questions, is that we set to work with faith, will, and hope.

[Moderator] I was often here this week at the Central Committee building. I had many conversations, and I must tell you that I also encountered confusion and uncertainty. How far can you feel this?

[Lukacs] Well, I feel rather that there is an expectation, and it would be unnatural if there was great calm here now. I believe and dare to hope too that there is no uncertainty in the way that there is some kind of disarray here. But there is an expectation that this apparatus of which you speak knows that the bodies wish to work differently. The bodies precisely through the modernization of the system of institutions, or its reform, wish to develop a different relationship with the state organs, state direction, and the mass organizations. This must be reflected in the building up of the apparatus—I think also in its numbers—but definitely so in its work order and work style. I feel that there is now an intensified and tense expectation for this. In the not distant future, we have to give a suitable answer to these too, so that attention can be focused on the work here. So, we would not like it if anywhere in the country, not here in this post or posts either, there were uncertainty for too long.

[Moderator] What are your initial experiences of the reception in the country of the decision of the national party conference? Please, do talk separately also about how the country received the personnel changes.

[Lukacs] It is very important now for us to know precisely how the decisions of the party conference were received by the party membership and Hungarian public opinion. This is very important from the viewpoint of the future.

Initial information and personal experience—for in the week I have already visited a country and I have spoken to many people—is that the political decisions of the party conference, its decision in organizational affairs, which relates to the creation of the function of party chairman, and the election of Comrade Kadar to party chairman, were received favorably. And in general, the personnel decisions of the party conference were received favorably: the large-scale renewal of bodies, their rejuvenation, and the changed composition of the Politburo.

If we can take this as general, I feel that a very significant turn has taken place in a very important question. This is the question of trust. For, in my opinion, it is not a matter of indifference to the Central Committee, the Politburo, as to what basis, what support it can build on, when it begins the practical realization of these decisions.

Pozsgay Interviewed on Party Functioning

LD2905141188 Budapest Domestic Service in Hungarian 0600 GMT 29 May 88

[Text] There is a need for a dialogue with the entire people, without smokescreens, conducted within society, and articulated within autonomous organizations and those in power. That is a sentence quoted from a speech by Imre Pozsgay, secretary general of the Patriotic People's Front, which he delivered when he was not yet a member of the MSZMP Central Committee Politburo.

We recorded our interview on Saturday last week. Miklos Gyorffy, in point of fact, asked Imre Pozsgay to explain the system of thinking whose content is that socialism is built from below, which presumes political

pluralism, the representation and confrontation of the interests of the various social strata and groups. We must see clearly, Imre Pozsgay emphasized, at the forum of the national party conference that in order for there to be a renewal in the country millions must be involved—everyone who votes—with faith and with work in everyday life for the Hungarian future.

[Begin recording] [Gyorffy] You said in your speech that the task that must be accomplished is a historic task. However, afterwards, the press box described your speech as a historic speech. In your speech, what did you mean? In previous speeches, alongside emphasizing unity, you had spoken in favor of a freedom of platforms?

[Pozsgay] It means that we can achieve the emergence of real socialist pluralism, and that in the social interest it is not a case of the creation of new parties but of getting to the bottom of whether or not this party is able to operate democratically.

I believe that if we are able to organize in the party a freedom of platforms around various views and alternatives, then this will create the condition for asserting the various interest-groups and will be a satisfactory political format for the people.

However, there is another side to this: The party should not want to pull the strings of other social organizations and movements. It should not believe that it is infallible and that its ideas are indisputable, because if it again gets entangled in this snare, after the current trust that is again being built, it can again end up losing trust and then there would be no excuse.

[Gyorffy] You spoke about a social process of becoming self-aware. The signs of this are present in society. Does the party, in its current condition, have the antenna to receive these signals, and will it be able to respond?

[Pozsgay] I observed with pleasure that the delegates to the party conference had this antenna. I felt that in the contributions made by most delegates they did not want to mask the situation, falsify reality. They reported on what they had experienced, on all that had been discussed in the debates, and—what really made me feel good, and I observed it—they had an idea of the future, of what should be changed, just like on other things.

Allow me to note something else: There now is some difference between the party membership and the party as an organization. They have to come together again. It is a strange paradox, as I see it.

Nevertheless, the immediate, living experience is that they must come together, because at present the membership of the Hungarian party is in line with the country's public opinion. This must be turned into an organized and progressive force. The party conference has opened the path to this. The turnabout that has taken place among the people can take place in the party as well.

[Gyorffy] Will there not prevail, come into operation, reflexes that are concerned about the loss of power? To this date, examples show that it may be necessary to fear these reflexes, no matter what kind of reform initiative gets under way.

[Pozsgay] Henceforth, too, it will be necessary to fear this kind of thing. We must keep our eyes open. Openness [nyilvanossag] is necessary, and the conditions must be created for the provision of social checks over the party. I believe that the resoluteness and the will exist for this, as well. I shall also add that there have been examples of backsliding in history—this could happen nowadays too. It would mean very great trouble. I hope that in the party there is more strength for progress than for pulling back.

[Gyorffy] Does this mean—to use your words—that the people, and part of the party membership have already carried out the turnabout that is a key word of current political activity? The party and the party leadership must effect a turnabout: Will it be able to do so?

[Pozsgay] This newly elected body will be able to do so, and with the turnabout it will at the same time steer the country's ship in the direction of reform, of more effective socialism.

[Gyorffy] There are opinions, and we know, primarily from informal reports, that more than once you have had a difference of view within the party. Now, in your speech, you have shown, in every regard, a readiness for compromise, and you have identified yourself with a new turnabout. Does a person who interprets your words in this way understand them well therefore?

[Pozsgay] I believe that he understands them well. My esteemed listeners should still know another thing, that I have always had a readiness to compromise, to come to agreement. However, the strength of this readiness was not always recognized by those people who could have been partners in it. The power was enough for them. The power was adequate for them. No special insight was necessary for it. Now, they must experience that they were mistaken. For this reason, I say—I shall return to this thought in my contribution—we should let them change. [end recording]

Demonstration Held at Austrian Embassy

LD2705190888 Budapest Domestic Service in Hungarian 1630 GMT 27 May 88

[Text] In Budapest, some 2,000 people marched in front of the Embassy of the Republic of Austria this afternoon. The participants in the peaceful march protested against the construction of the Boes-Nagymaros [Gabcsikovo-Nagymaros] water barrage and against Austrian collaboration in this project.

Gdansk Shipyard Director Interviewed

LD2905131388 Warsaw Domestic Service in Polish 1100 GMT 29 May 88

[Text] "An Attempt on the Life of a Giant"—this is the headline given to an interview with Czeslaw Tolwinski, director of the Lenin Shipyard in Gdansk, published by POLITYKA. Here are excerpts from the interview read by our announcer:

POLITYKA: Your talk with Premier Zbigniew Messner on 16 May was certainly not a courtesy visit. A PAP report on it contained a subtle threat about the yard's bankruptcy. Was that matter the subject of the conversation?

Tolwinski: At the meeting, in which Deputy Premier Zbigniew Szalajda and Industry Minister Jerzy Bilip also took part, the word bankruptcy was not mentioned. I was, however, given to understand clearly that the government is expecting radical internal reforms at the shipyard, which would improve its efficiency in the shortest possible time.

POLITYKA: You went to talk to the premier with the idea of improving the efficiency of the enterprise and also knowing which of the planned undertakings could bring the best results.

Tolwinski: We will submit to the premier shortly a comprehensive program. It will include, among other things, a proposal to make available some of the yard's premises to an enterprise with foreign capital, which is to be set up with the participation of Swedes, Finns, and FRG citizens. It will deal with building ships based on the principles of self-financing.

We want to rent to partnerships and cooperatives some of the yard's area which is not used and premises and equipment which are not being used. The initial negotiations are already in progress. We will also end some financial investment from our own means.

POLITYKA: You are talking about undertakings easily accepted by the workforce, but deep reforms which the government is expecting, cannot be painless. It is enough to remind you about the incorrect employment structure.

Tolwinski: I have in front of me figures on the employment ratios we are aiming for in the production sector, services, and in the group of employees paid monthly. However, I will not disclose them in order not to introduce additional anxieties. We cannot, however, agree with the decline of the number of people in production and the overgrowth of the ancillary services and administration. Also, we have to curb the process of high-level experts leaving the yard. We have no intention of firing anybody, but we will propose transfers to other departments where there is a shortage of people and reduce the number of posts where they are superfluous.

POLITYKA: Let us return to the initial motif: the feeling of insecurity the yard workforce is experiencing. A rumor has been circulating, among other things, that one of the options is the yard's bankruptcy and the distribution of its assets and people among the remaining shipyards in the tricity area [Gdansk, Gdynia, Sopot].

Tolwinski: I cannot confirm such intentions by the authorities. The workforce is really anxious because of contradictory information concerning the fate of the yard. I try to calm them down by frequent appearances, i.e., on the enterprise radio station and providing extensive information on current events connected with the functioning of the enterprise. We are not waiting for miracles but we are not expecting a decision about liquidation either. I do not even allow myself to think about it. I do not believe that someone could, with a single decision, cross out from the economic map of Poland the largest production shipyard, where over 950 ships of various types have been built for shipowners from more than 30 countries, Czeslaw Tolwinski, director of the Gdansk Shipyard, says in his interview for POLITYKA.

Transcript of Urban's 24 May News Conference

AU3105092988 Warsaw RZECZPOSPOLITA in Polish 25 May 88 pp 1, 6

[Transcript of Jerzy Urban's press conference for domestic and foreign journalists at the Warsaw Interpress Center on 24 May]

[Text] The conference began with J. Urban's two statements.

Urban: I apologize to you for being late. I offer special apologies to Madame Renate Marsch, who has made a loud protest.

In some production enterprises people continue to voice the view that in those enterprises in which some groups of workers went on strike or threatened to go on strike wages were raised, but that the workers who kept on quietly working went empty-handed. I declare most emphatically that such views are mistaken. The pay policy in enterprises has in no way been affected by the April-May incidents. The only thing the strikes have produced is a deterioration of the economic position in some enterprises, which, consequently, has made it difficult to raise wages, a measure that will require special production efforts in those enterprises.

Two taxation formulas are in force this year, and they inhibit the upward movement of wages and tax concessions and exceptions, which are fixed in advance, which everyone can claim, and which are connected with, say, exports. Certain institutional tax rigors are also in force in some cases. This system is rather complicated, and I will not discuss it in detail. The plan provided for a general wage increase in industry of up to 43 percent.

In the enterprises in which allowances in kind are high, the payment of those Z6,000 in compensation for price hikes and other automatic benefits already amount to that 43-percent increase, and that is why it was impossible to pay for productivity increases. It was agreed in advance that at the end of the first quarter, in April, the raising of the taxation threshold would be considered. The manager of the Lenin Shipyards continued to hold meetings on this subject from the beginning of April.

Compared with planned assumptions, the taxation threshold with regard to wages was raised by 7 points for the entire industry.

The wage situation differs from plant to plant. If a plant exports its products, realizes tasks in excess of the plan, and owns reserve funds from a previous year, it may raise wages even by a little over 50 percent. In other plants, this increase is less than 50 percent. Talks have been held since last February with steel plants about additional production for additional wages.

Raising that threshold was necessary in order not to limit increases in production and productivity and in order to realize the principle that better results must be paid for by better wages. However, this policy will reduce the budgetary income from taxation to a greater extent than production is able to increase. As a result, a small, as yet, increase in inflation has occurred.

In any case, it is untrue that strikes were extinguished with the help of money and that those who refuse to work are the winners.

Another item of information: A large Polish economic delegation led by Vice Premier Zbigniew Szalajda is leaving for Moscow tomorrow to conduct detailed and very crucial economic talks in order to produce specific accords, contracts, and projects concerning economic cooperation. This visit will primarily seek to define in detail the provisions of previous decisions and to prepare specific subjects for talks at higher and summit levels. This is because we expect that Premier Ryzhkov will visit Poland soon. He will be followed later on by Mikhail Gorbachev.

Leszek Kubiak, PAP Foreign Service: Various groups of society and social organizations continue to call for expanding the range of national agreement and to propose an anticrisis pact. Any comment?

Urban: The extent to which the country's life has been stabilized determines and will determine the range of national agreement. The greater this stabilization, the more rapid will the process of extending the political range of cooperation be. We are ready to be bolder in promoting the process of national agreement, the new framework and impassable limits of which were presented by Jozef Czyrek in his interview for TRYBUNA LUDU. I advise all those who really seek to expand the base of pluralism and to increase the political range of cooperation in Poland to maintain prudence and to avoid all the words and deeds that would put agreement in jeopardy.

We expect our potential partners to ensure agreement between their words and acts so that acts do not belie words and words and acts show good intentions throughout. This is all I can say for the time being, while stressing that we are ready to go farther and and with greater courage toward agreement.

John Daniszewski, AP: Is it possible for Mr Walesa and Mr Sadowski to meet as previously mentioned?

Urban: I discussed this issue at my previous conference and have nothing to add. I discussed the offer in question and the fact that the present position of Mr Walesa, who headed a strike and actually made appeals for a strike, does not make the meeting topical. Well, the future will show how the situation develops.

If you want a transcript of what I said at my previous conference on this subject, I have it here and you can collect it when this conference is over.

Zsolt Zsebesi, MTI: What is the Polish attitude toward the most recent changes in Hungary?

Urban: The Polish attitude was expressed in the cordial message sent by Wojciech Jaruzelski to Grosz and Kadar.

Let me add that we think that the personnel changes in the Hungarian party were carried out along highly democratic lines, with great political culture, and in full recognition of the historic achievements of Janos Kadar, who has been ensured an active and dignified participation in Hungary's political life. At the same time, the cadre changes seek to dynamize the process of reforms and renewal, which is in agreement with the general process of the current changes in most socialist countries. They are also at one with changes in Poland.

We view with great friendliness the current processes in Hungary, in the country of our friends.

The Hungarian party conference reaffirmed the unity of the trade union movement and the one-party principle. The West also continues to comment on the Hungarian model of changes with considerable friendliness. We hope that perhaps even a fraction of this understanding will be shown for the Polish policy of trade union unity, the Polish multiparty model, and the Polish program for enriching and expanding the range of socialist pluralism.

I hope the Hungarians will forgive me for so sharing a feather in their cap.

Renate Marsch, DPA: Today's press carries extensive information issued by your office about the military oath. But the thing is that all we have been told about this oath is that a new version of it has landed in the Sejm. Your office's information does not publish the text or the new draft text. Could you tell us what it is?

Urban: I am in an awkward situation, because I am unable to read out here the new draft text of the military oath adopted by the government yesterday. The draft has not yet been submitted to the Sejm. I am unable to read out that text for two reasons. First, the government may still make some small but not crucial modifications to the present draft. Second, which is more important, there is a conflict between the policy of openness, which I also try to realize, and certain principles of the government's cooperation with the parliament. These principles make it necessary to submit a government draft first of all to the Sejm deputies and then to the press. It would be most improper for Sejm deputies to learn from the press about the contents of the documents that the government intends to present to the Sejm.

Having made all those reservations, I wish to stress that the draft of the new oath contains formulations about loyally serving the fatherland and the people and about observing the principles of the Constitution and of faithfulness to traditions of the Polish arms. The draft enjoins one to mount guard over independence and sovereignty and to protect peace in the brotherhood of arms with the allied armies. Soldiers will pledge to conscientiously fulfill their duties, to obey orders, and to cultivate traditional soldierly virtues. The draft also speaks of sticking to secrecy. This is more or less the substance of the draft of the new military oath.

It will be greatly different in content and form from the present oath.

Stanislav Shtukaturov, NOVOSTI: I am sure I am not mistaken in asserting that the eyes of the entire world are now being focused on the city in which the historic meeting between Gorbachev and Reagan will take place.

What do you think the Polish people expect this meeting to achieve as regards Europe and the world?

Urban: Ambassador Stefan Staniszewski, spokesman for the Ministry of Foreign Affairs, yesterday granted an extensive interview on this issue to ZYCIE WARSZAWY. Since at a previous press conference he also spoke on this issue, my answer to you will be brief.

The Polish people expect that the Moscow meeting will help reach an accord on halving the nuclear strategic weapons, will produce an important accord on other aspects of disarmament, and will pave the road to new talks, which will decisively lower the ceiling of military balance and defuse regional conflicts—the hotbeds in this world.

Poland expects that the Moscow summit will increase our chances of living without wars and will extend these chances for the benefit of our children and grandchildren. We are also interested in the economic results of disarmament, because we have enough reasons to spend our money elsewhere. Perhaps we will be able to spend it on civilian projects.

Our country, which lies in the center of Europe, is interested in improving the East-West climate, and hopes that this will be achieved by the leaders of the two powers. The Polish people have had a painful experience of tension, which kept growing previously, and of the fact that the U.S. policy was dominated by the ideology of crusade and by the practice of pressure and restrictions. We are vitally interested in further advantageous changes in the international climate.

We offer Mikhail Gorbachev our most cordial wishes for successes in realizing the Soviet policy of peace and detente. May President Reagan achieve in U.S. history the position of the president who has been able to combine the interests of his nation with the overriding interests of all mankind.

Christopher Bobinski, THE FINANCIAL TIMES: Will your statement that the authorities are now ready to go farther and with greater courage apply to the request of the Warsaw Economic Society or the Wielkopolska Economic Society to be registered? These societies have difficulties in obtaining registration.

Urban: I have said and I repeat: The authorities believe that the registration of the Economic Society is doing well. The statement made by journalist Paszynski to the Western press and radio stations that his efforts to register the society had failed because of the stance of the authorities and that he had given up, is a typical manner in which talks are conducted with the Polish authorities. That is why you should not attach any significance to Paszynski's dramatizing the issue. I have no information on the Wielkopolska Economic Society.

Bengt Scotland, Radio Polonia: I have learned from the Western radio stations that Docent Geremek has difficulty in obtaining a passport for travel to the West. What is the meaning of this?

Urban: The issue of a passport for Docent Geremek has become obsolete too quickly because of the date of the function that Mr Geremek wanted to attend. But this does not prejudice future decisions about his passport.

Renate Marsch, DPA: The Poznan Trade Fair is approaching, and much is being said about joint ventures. However, no Western firm wants to commit itself to them, because the joint ventures law has still not been updated. When will it be updated?

Urban: Insofar as I am able to remember, this updating will take place in June. At this moment I still have no information whether this updating can be accelerated. We realize that the passage of time is to our disadvantage, since we know of entrepreneurs do not want to commit their funds until they know what the final conditions of joint ventures will be and since we know of entrepreneurs who have committed their funds somewhere else to make their money work. In view of this it will perhaps be possible to accelerate that updating.

Stefan Dietrich, FRANKFURTER ALLGEMEINE ZEITUNG: Mr Minister, do you have any new information about the number of Poles who are applying for passports to visit Western countries?

Urban: I do not have any new information at the moment, but there have not been any important changes. We are well into spring and the number of applications always increases at about this time.

I do not understand what the intention behind your question is—this is the second time that you have asked it.

Stefan Dietrich: I have only asked, because the FRG Embassy has noted an increase of at least 25 percent in the number of applications for visas during the first few months of this year. That is also why I have asked if this is in any way connected with the statements that you made at the beginning of the year to the effect that not everyone will be able to go abroad.

Urban: I said nothing of the kind and I do not know what you are driving at.... There is always an increase in the number of applicants at consulates and the applications received by the passport office at this time because summer is approaching.

Stefan Dietrich: But I was talking about the first 4 months of this year.

Urban: Fine, I acknowledge what you said. There has been an increase in the number of Polish citizens who are applying for visas to visit the FRG.

Polish Radio, Channel 3: Mr Minister, I would like to know what is happening about the registration of the Public Educational Society, because at one press conference you said that the matter would be settled on 15 May. Thank you.

Urban: I do not have information on this—I will tell you as soon as possible.

Zbigniew Salata, GAZETA KRAKOWSKA: Mr Minister, my editorial board has received reports about a large number of cases of Polish tourists who have visas to visit Greece not being allowed to enter the country. Will anything be done about this, bearing in mind the problems that our tourists experienced at the Hungarian, Yugoslav, and Greek borders last year?

Urban: Recently, there really have been a large number of cases of Polish tourists not being allowed into Greece. Greek border officials are asking Poles to prove that they have enough foreign currency. However, there are no fixed rules about this. Depending on the point of entry or the official, they ask for between $150 and $500. The Polish Ministry of Foreign Affairs and our representation in Athens have been actively intervening in this matter since the end of April. The interventions were about establishing clear rules and informing the Polish side about them so that our tourists will know beforehand about the sums they ought to have with them when they enter Greece for a given period of time.

Well, we have received an assurance that we will shortly be given clear rules, which will be in force.

I would like to add that so far we have managed to deal with these incidents on the Greek border on the basis of agreement and cooperation and this will surely continue to be the case before the tourist season really starts up.

John Daniszewski, AP: Mr Minister, I would like to return to the question of the anticrisis package and would like to ask whether attempts are being made for some kind of agreement to be arrived at between people connected with the opposition and the government, or is the government itself trying to come to an understanding with representatives of the so-called opposition? Is anything happening? Could you comment on this?

Urban: When you use the word opposition, you are usually thinking of something different from what we mean when we talk about the opposition. By opposition we mean people and groups who are not paid from abroad, wish to respect the constitutional order and national realities, and who act in line with the principle that differences of opinion exist, but we must work together to improve the situation in Poland and not to work to make it worse, to, for example, bring about a new crisis that would create an arrangement of forces that would benefit those who are seeking to create a situation of this kind.

So, you can be sure that further active efforts will be made to talk and cooperate with what we understand by the opposition.

Renate Marsch, DPA: You once asked what ought to be done to make intellectuals stop leaving Poland and remain here, because it is very expensive to study in Poland. Has the government considered any methods in the meantime? There are rumors about a financial deposit to be paid when leaving the country. You denied this once. Do you still do so?

Urban: I do, and I wish to say that the discussion among Polish society on this subject has not ended, but is continuing. It is very interesting from a broader point of view, not just from the point of view of emigration. We will aim to improve and expand the possibilities of young people's start in life, not impose financial or passport restrictions.

Christopher Bobinski, FINANCIAL TIMES: Perhaps this is more a piece of information than a question. You once said that 150 or 90 persons were on strike at the "Ursus" plant. But now it transpires that the management's list of persons on strike numbers 2,000.

Another matter. Yesterday, the workers' council at "Ursus" decided to put the demands of the strikers to the vote. I am interested if the government has any access to this matter. Is such a vote favorable or unfavorable, and should it take place or not? Thank you.

Urban: I said that from 90 to 150 people had gathered in the cafeteria. Right now the matter is at factory level. I can tell you that there are seven workers' councils in "Ursus." One of them is an all-factory council, and the others represent individual departments. One of these did indeed convene and decided to hold a vote. It adopted questions concerning political affairs, but rejected questions concerning wages.

I know that a general meeting of self-management body delegates is due to take place at the "Ursus" tractor plant on 1 June. Such a general meeting possesses greater authority than a workers' council. These are current events, so it is difficult to express a stance. The procedures may be very different. It is also difficult to say how the management and how the workers' council will behave, so it is even more difficult to express a government stance. The matter is too fresh.

Stefan Dietrich, FRANKFURTER ALLGEMEINE ZEITUNG: As a faithful reader of RZECZPOSPOLITA, I often feel the absence of it, because it does not appear every other day in the morning, together with the other morning papers, but only in the afternoon. And during the strike it stopped being a morning paper altogether, and became an afternoon one. I do not suppose this situation applies to just my district, Saska Kepa, but to the rest of the country as well. Does the government know about the troubles of the government newspaper and is it doing anything to preventing them?

Urban: The government does know, and not just about these problems, because RZECZPOSPOLITA appears 24 hours late outside Warsaw, which cancels out its purpose, as it were.

Solving these difficulties requires money and imports of technology, and there is a certain plan of improvements, albeit gradual ones. However, I did not know that there were delays like this, probably because I receive a copy of RZECZPOSPOLITA on my desk every morning. Therefore I assume that the problems involve distribution. But I cannot say anything. I am merely comparing what you are telling me with what I have on my desk.

Premier Dascalescu Leaves for GDR 30 May

AU3005153088 Bucharest AGERPRES in English 1308 GMT 30 May 88

[Text] Bucharest, AGERPRES, 30/05/1988—Constantin Dascalescu, prime minister of the Socialist Republic of Romania, left on Monday, May 30, morning, for the German Democratic Republic on a working visit, as guest of Willi Stoph, chairman of the Council of Ministers of the German Democratic Republic.

'Single Model' of Socialism Rejected

AU2805142388 Bucharest AGERPRES in English 1018 GMT 28 May

["General-Particular Dialectic Relation in Building and Improving the Socialist System"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 28/5/1988—SCINTEIA of May 28 carries an article titled as above on the RCP position regarding the general-particular relation and the basic principles of the revolutionary theory and their relation to concrete, specific facts in each country. The diversification of economic, political, social and national conditions, the historical peculiarities and different development stage of socialist countries, SCINTEIA shows, generate differences in the forms of socialist construction, in the methods of societal organization, different approaches to some questions. Like objective differences are natural and inevitable in such a complex process as socialist construction is. [sentence as received]

The socialist system can be successfully built only on the basis of the latest gains in science—dialectical and historical materialism, scientific socialism—of the knowledge of objective laws of society development, but also considering each people's and country's peculiarities, the different conditions in which each nation took shape and developed, the new problems and phenomena determined by the big material and spiritual changes worldwide, the conclusions of revolutionary practice. It is precisely because the new system is the expression of each people's will, interests and vital aspirations that it is invincible, and very powerful.

The RCP has rejected firmly the "single model" conception, an absolutization of the general and underappreciation of the particular in the socialist revolution and construction, generating dogmatism and conservativism, ultimately a reflection in practice of the theory of "leading centre" issuing directives, compulsory duties, preset ways of actions for all parties notwithstanding the conditions of their activity. Life has clearly shown that it is not a viable conception, it is inconsistent practically and theoretically, and that the revolutionary party in each country had the exclusive and inalienable right to choose freely its development path of advance toward socialism and communism.

The "single model" theory is today utterly anachronical, although it has not disappeared altogether. There are tendencies to set another "single model", "adapted" to the current conditions—for the improvement of socialist society, economic modernization and democratic development, a.s.o., to set ways and means used in certain countries during this general, law-like process, as "compulsory" and "inevitable" for other countries too. No doubt, such trends can but lead to the same sterile dogmatism as in the past.

Very important in the socialist construction and improvement are the knowledge and utilization of the experience amassed by the human society in time and mostly of the people who build the new system. But any mechanical copy and application, any disregard of concrete conditions and peculiarities and of the given stage can only be prejudicial to the party's activity, the RCP general secretary shows.

Contrary to the requirements of a dialectical understanding of the general-particular relation are the exaggeration and absolutization of the particular, the overestimation of each country's specific and underestimation, in one way or another, of objective laws, of basic principles of scientific socialism, verified and confirmed by life, the history of socialism. All this shows in the trends of diminishing the role of state and cooperative socialist property, overestimation of form of individual property, underestimation of the importance of the national socio-economic development plan and decreasing role in favour of the market (the so-called "market socialist"), to refer only to economic aspects.

In the process of revolutionary transformation of society, laws also change according to the changes in the social existence, evolve in keeping with society development, but this does not reduce their importance. Quite the contrary, the thorough knowledge and unswerving, creative application of the basic principles of the revolutionary theory are major requisites of the victory of the new system. As historical experience shows, essential to the building and development of the new system are the establishment of the power of the working class, of the people, the creation, defence and development of socialist property, the liquidation of economic and social inequities, of exploitation and oppression, the implementation of the socialist principles of distribution, the assertion of the leading political role of the Communist Party. From this angle, the socialist construction can be but unitary, specific are the forms of organization, the ways to rally the people's efforts in each country to achieve these principles. "Knowledge—Nicolae Ceausescu showed—is based on practice and its theoretical generalization. The disregard of any of these two facets may lead either to a dogmatic attitude toward facts, the misconstruction of new particular problems in the process of social development, or to a reformist position, with a negative impact on the socialist revolution and construction."

The current stage of mankind's historical development stands out by big revolutionary changes, by important changes in the world balance of forces. Socialism is increasingly asserting its superiority, as a qualitatively new and superior type of social system, representing mankind's present and future, the only historically viable alternative. The socialist countries, the worker and communist movement internationally are currently going through a period of ideologic effervescence, of critical analyses, of examination of the road covered so far and of seeking the best ways to improve socialism.

The attainment of these targets, the success of the process of improvement of the socialist society are indissolubly linked to the correct understanding of the general-particular dialectical relation. The firm, unwavering application and at the time creative and differentiated application of the basic, universal principles to concrete, specific conditions, the results along this line in each country making, in last analysis, the fundamental and direct contribution to the assertion of the superiority of socialism, to its growing prestige and force of attraction among the world peoples, to the triumph of the general cause of progress, SCINTEIA winds up.

Foreign Trade Development Reviewed

AU3005203588 Bucharest AGERPRES in English 1733 GMT 30 May 88

["Romania's Foreign Trade Dynamics"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 30/5/1988—A high dynamics, and quantitative as well as qualitative changes have been characteristic for the Romanian foreign trade, particularly in the last twenty-three years. Foreign trade grew 4.8 times in terms of value from 1950 to 1965, but nine times from 1965 to 1985—the highest growth in history. The rate at which exports increased—11 per cent—was substantially higher than the growth rate of other relevant indicators—as, for instance, the social product which averaged 7.4 per cent a year, the national income 7.6 per cent, industrial production 9.5 per cent.

A radical change of the structure of the national economy, as well as a changed imports-exports structure was obvious over the period spanning 1950-1986. In 1950 machinery accounted for a low 4.2 per cent of the exports but by 1986 the percentage had risen to 36.9. Also rising was the share of chemicals, fertilizers, rubber—from 1.7 to nearly 9; as concerned industrial consumer goods, the increase was from 1.3 per cent to 17.3 per cent during the same span of time. For imports, the biggest change was in the group of fuels, minerals and metals: From 23.5 per cent in 1950, their share had risen to 48.9 per cent in 1986. Also in the machinery, plant and transport equipment group was the changes significant: from 38.3 per cent in 1950 to only 29.1 per cent in 1986, which is generally comparable with the imports of industrial countries.

However, by far the most important change is in the structure of commodities. For the first time in history, Romania had a surplus of machinery, plant and transport equipment, and that surplus had been rising: In 1980 exports accounted for 24.9 per cent and imports for 24.5 per cent; by 1986 exports had increased to 36.9 per cent, with the imports representing 21.9 per cent. Also for other groups of manufactures has the balance of trade been active—chemicals, consumer goods, etc.

As a result of a strong industrial growth, Romania now contributes 1.2-1.3 per cent to the world's industry; but there are many products where its contribution was above that level as far back as in 1980: steel 1.7 per cent, rolled goods 1.8 per cent, chemical fertilizers 2.3 per cent and the percentages are higher for the highly processed and worked products—generators for water turbines 3.1 per cent, electric locomotives 3.8 per cent, diesel locomotives 5.9 per cent, electric motors of more than one hp 8.5 per cent, internal combustion engines 9.5 per cent. That has been a basis for Romania's growing contribution to world trade from 0.36 per cent in 1950 to 0.60 now. Furthermore, foreign trade per capita increased from 28.7 dollars in 1950 to 1030 in 1985, which is higher than the world average. The performance of industry was also being the higher balance-of-trade surpluses.

Romania's current five-year plan (1986-1990) makes provision for the 52.7 per cent growth of its foreign economic relations from the previous five years, with exports rising far more than imports as a basis for a balance-of-trade surplus, balanced payments and the repayment of the foreign debt.

LCY Constitutional Conference Previewed

Krunic Discusses Disunity

LD2705222788 Zagreb Domestic Service in Serbo-Croatian 1700 GMT 27 May 88

[Text] The conference of the LCY is due to begin in Belgrade the day after tomorrow. The people who will participate in it will discuss the consolidation of the leading ideopolitical role, unity, and responsibility of the LCY in the struggle to get out of our socioeconomic crisis. On the eve of the conference, Sonja Badel had a talk with Bosko Krunic, president of the LCY Presidium. We shall transmit this conversation in our evening program, but for you we have singled out the part on unity and disunity in the LCY.

[Begin Krunic recording] Disunity in the LCY is one of the main causes of our troubles and of all our difficulties, especially at this period of the crisis. However, I must say that this disunity is spoken of with considerable illusion, suggesting that the disunity is simply the result of the will of one organ—for instance of the LCY—which must hold a meeting, make a decision, then we shall all carry that out, and that will be unity.

Unity is constantly constructed. Unity is not provided once and for all. If the issue of the foreign currency system is brought up, if the issue of the taxation system is brought up, or if the issue of the land maximum, or I do not know what other issue, is brought up, then it becomes clear that unity can be built as a synthesis of these different positions, different interests, different understanding of things, and so forth.

Of course, the republics and provinces are not the citadels that harbor or are the main cause of our desunity. A great deal of this is concentrated in other areas too, and in the federation itself. Different interests do exist quite realistically—the interests of associated labor, interest of individual branches of the economy, the interests of the producers of raw materials, of the exporters, the interests of farmers, the interests of the tourist industry, just to give a few examples, or those of big city consumers, etc, of the people in associated labor, consumers, or of those who work in material production, etc. It is not easy ensuring and making a synthesis work, it is not easy to ensure unity. After all, the 2 million Communists are distributed among 70,000 basic organizations, with 70,000 real interests; and from this host of interests, from what we call pluralism of interests, it is not easy to arrive at a synthesis.

What I want to say is that unity is attained. It cannot be foisted; but whether or not the former or the latter is the case it always resurfaces as a problem [sentence as heard]. The point is that we really have no adequate method of coordinating our views faster, of arriving more rapidly at a joint stance, of more efficient work by the LCY organs and of making democratic centralism act as a principle, without which, in the last analysis, it cannot exist as a [word indistinct]. [end recording]

Gacic Sees Turning Point

LD2805191188 Belgrade TANJUG in English 1226 GMT 28 May 88

[Text] Belgrade, May 28 (TANJUG)—The coming League of Communists of Yugoslavia (LCY) Conference should be a "turning point" in the social action for overcoming the crisis. Considering the social moment in which it is held, the conference represents an extremely significant gathering of Yugoslav Communists which must enable an end to the practice to date in many areas, LCY Central Committee Secretary Radisa Gacic underscored at today's news conference prior to tomorrow's start of the Yugoslav Communists' conference.

Gacic said the choice of the conference's main topic—strengthening the ideo-political role, unity and responsibility of the LCY in the struggle for overcoming the socio-economic crisis—was correct because that is the problem that the LCY must deal with in order to change the overall situation in society.

He said that all participants in the party debate on thesis for the conference consider that the crisis cannot be overcome without an economic reform nor without changes in the political system nor without a renewal of the League of Communists. The basic starting points for the stands of the LCY Conference were conceived along those lines.

Gacic said a signicant contribution had been provided by the public debate on amendments to the Yugoslav Constitution and it is certain that that will oblige the LCY Conference to clearer and more ambitious stands on the need for deeper constitutional changes.

The fact that 52 percent of delegates for the gathering are from direct production shows that the conference will deal with truly essential questions, Gacic said.

Because of all this, a constructive and concrete discussion of all social problems can be expected at the conference.

TANJUG Views Draft Document

LD2805090888 Belgrade TANJUG in English 0500 GMT 28 May 88

[Text] Belgrade, May 28 (TANJUG)—The renewal of the League of Communists of Yugoslavia (LCY) is a prerequisite for bolder and more profound reforms of the economic and political system and a faster way out of the crisis, as assessed in the draft final document for the LCY Conference that opens in Belgrade tomorrow.

The conference—the largest meeting of Yugoslav Communists between two congresses—will be attended by around 800 delegates who will discuss the party's responsibility for the serious situation in the country and the non-implementation of its own guidelines and its future tasks.

On the thirtieth anniversary of the party programme which introduced a vision of a democratic "socialism with a human face", Yugoslav Communists are again appealing for a return to its basic principles. Starting from the assessment that the economic and political crises are endangering the basic achievements of the revolution and self-management socialism, they are simultaneously preparing to make additions to their ideological-theoretical stands and to make a radical cut from the old practice.

In the starting points for the draft final document, the LCY membership is called on to end the party's impotence and inertia and oppose bureaucratic and statist rule which is believed to be the main cause of numerous deformations and failures.

The LCY is giving up its political monopoly on power and opposes the "personal union" between its leaderships and the state.

"It is a historical necessity to set the party apart from the state and for the party to act not from the positions of power, but through democratic communication with all forces of society", it is stated in the draft final document.

The party must abandon its leadership role and act as a leading force in society whose major goals are freedom, democracy and the material well-being of people. The way to reach these goals is to stop making dogmatic vows to inviolable ideological constructions and models.

By accepting criticism for mistakes and weaknesses in the past, the LCY wants urgently and decisively to start a process of its own ideological, moral and cadre renewal. This must involve a democratic and critical exchange of views, openness in work and responsibility for its own policy.

The party renewal must not turn into the disqualification and persecution of people, the Yugoslav Communists stress, but it is also not possible without resignations and dismissals from office. It will be carried out by those cadres that have a better understanding of the essence and depth of new social processes.

Socialism is in a crisis because production relations were formed arbitrarily, administratively and voluntaristicly, degrading not only objective economic laws but relations in produciton and creative initiatives as well" [quotation marks as received], the draft final document says.

Based on this key assessment, the Yugoslav Communists call for an immediate economic reform. Pointing out that the crisis cannot be overcome without developing a new productive production, and that it is not possible without economic compulsion, the LCY urges the introduction of market laws as a condition for the development of efficient self-managing socialism. They also urged the development of other forms of ownership aside from social ownership which currently prevails.

The determination to reproduce and increase social capital on the basis of economic criteria does not permit state interference in economic trends, the Yugoslav Communists consider. For that reason, at the conference they will demand a stop to excessive normativism and administering. However, the state should continue to see to it that the workers have a say in social reproduction and make decisions concerning the income they generate.

The Yugoslav Communists consider that higher economic efficiency is ensured through the economy and society as a whole integrating on self-managing basis. Therefore, they will oppose all forms of autarchy and urge a unified Yugoslav market.

On the other hand, the strengthening of the economy and its modernisation requires an opening to the world and foreign investments and greater independence is given to enterprises in making development plans and business decisions. That means that the workers are given economic responsibility, ie business risks, along with management of their own means of production and capital, which was not the case to date.

The main economic tasks—growth of the social product, bringing inflation down and increasing exports—cannot be achieved without a true motivation of the workers, it is set out in the starting points for the conference.

For that reason, the Communists will work towards basing that motivation on distribution according to work results and their market value. That will prevent tendencies towards wage-leveling, abolish monopolies on jobs, eliminate socialisation of losses, which are also major causes of the almost ten-year crisis.

The restructuring of the economy, productive employment and market activity will also open major social problems for which effective solutions have to be found urgently, it is stressed in starting points for the conference positions. The LCY considers that these problems cannot be solved by means of welfare considerations alone, but within the framework of the policy of the social development as a whole.

Special welfare programs have to be made for the currently most affected categories of the population, while all those technologically redundant have to be provided with material security and retrained quickly.

The growing unjustified stratification of the Yugoslav society is the reason why the party sets as a special task the struggle against social differences which are not the result of work and urges the tansfer of the burden of the crisis to wealthier categories of the population.

Social tensions increasing under the brunt of the crisis, excessive economic and political differences and the conflict of interests demand the reform of the political system, it is set out in the starting points for the final text of the conference. Rejecting a multi-party system, as well as the return to the system of party-state monolithism, the LCY commits itself to the system of socialist democracy and selfmanagement pluralism, which also includes political pluralism.

The expression of alternatives within the selfmanagement socialist orientation should be made possible in the Socialist Alliance of Yugoslavia as the broadest democratic front. Therefore, the League of Communists takes upon itself to act within the Socialist Alliance in such a way as to prevent it from turning into its rubber stamp.

The Yugoslav Communists consider that the statist-bureaucratic assault on selfmanagement interests of freely associated workers and the overcoming of the haphazard struggle in which the ration of forces is crucial, must be settled by means of a democratic debate and an accord-reaching through the delegate system.

Urging stronger delegate relations, they propose direct elections by secret ballot, involving several candidates. Taking into account the opinion of the two-million party membership, they also indicate the possibility of restricting the role and competencies of the republic and provincial presidencies, even their abolishment.

Yugoslavs can ensure survival, freedom and development based on brotherhood, unity and equality only if they are united. For that reason, increasingly frequent demands of the public for strengthening the federation's role are justified, it is assessed in the draft final document.

The party will specially urge the achieving of those functions of the federation which contibute to strengthening a unified market, protecting lawfulness, increasing the influence of production workers in decision making in the national assembly and subduing state interventionism.

The Party Central Committee's task is to clarify open questions at federation level and prevent confusion and conflicts which could increase the erosion of the Yugoslav community. On the one hand are problems involving "national programs" and absolutism of republican states and on the other demands to abolish the republics and provinces and turn them into units dependent on a centralised federal state.

The LCY opposes such specific national "characteristics" leading to Yugoslavia's desintegration and reducing it to the level of a territory (a geographic term). The LCY also opposes the kind of unity which abolishes the autonomy and independence of its federal units.

The counter-revolution staged by Albanian separatists and chauvinists in the province of Kosovo (part of the republic of Serbia) who urged an ethnically pure territory and annexation to neighboring Albania, has been underway since 1981. Migration has been going on for several decades.

Therefore, the Yugoslav Communists must start implementing the Yugoslav program on Kosovo more decisively in order to finally secure freedom, equality, legal and personal security, safety of property and protection of human dignity for all citizens of Kosovo, the starting points of the final document said.

The Yugoslav Communists point out that they must achieve unity in order not to miss another opportunity to regain respect and carry out the program.

Appearances of closing, subordination to republican-provincial leadership and a policy of national egotism lead to unprincipled confrontations and detrimental coalitions within the party. The LCY must eliminate federalist tendencies and the principle of consensus in its ranks because the autonomous republican and provincial Leagues of Communists are responsible for the ideological and political unity of the entire party.

LCY Constitutional Conference Begins Work

Number of Delegates Reported

LD2905131488 Belgrade TANJUG Domestic Service in Serbo-Croatian 0719 GMT 29 May 88

[Excerpts] Belgrade, 29 May (TANJUG)—A total of 785 delegates will take part in the work of the LCY Conference, which is due to begin in the Sava Center in Belgrade this afternoon. Of these, 420 delegates have been elected in LC municipal organizations; 165 in the central committees of the republican LC's, provincial committees, and in the LC committee in the Yugoslav People's Army; while 200 are members of LCY organs. [passage omitted]

Out of 585 elected delegates for the LCY Conference, 136 are from Serbia proper, 101 from Bosnia and Hercegovina, 86 from Croatia, 58 from Vojvodina, 53 from Macedonia, 44 from Slovenia, and 36 each from Montenegro and Kosovo. Thirty-two delegates for the LCY Conference were elected in the LC organization in the Yugoslav People's Army and three delegates in the LC basic organizations in the federal organs and organizations.

Tito's Widow Brings Letter

LD2905191488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1637 GMT 29 May 88

[Text] Belgrade, 29 May (TANJUG)—A certain number of the LCY membership have addressed messages and petitions to the LCY Conference, which began today in the Sava Center, and Jovanka Broz came to the Sava Center before the start of the conference to give the conference a letter.

The following statement was made with regard to this:

"A considerable number of messages, petitions, proposals, and demands have been sent to the LCY Conference in which members of the LCY raise individual social issues or refer to certain problems. All the proposals sent to the conference will be considered by the organs responsible for this, and participants in the conference will be acquainted with their basic content. Before the start of the LCY Conference Comrade Jovanka Broz came to the Sava Center to hand a letter to the conference. The letter was received by Milan Pancevski, member of the LCY Central Committee Presidium, and Executive Secretary Slobodan Filipovic, who had a short conversation with Jovanka Broz in connection with her having approached the conference."

Conference Opens 29 May

LD2905141788 Belgrade TANJUG in English 1339 GMT 29 May 88

[Text] Belgrade, May 29 (TANJUG)—The first conference of the League of Communists of Yugoslavia—the most important meeting of Yugoslav Communists between two congresses—opened here this afternoon to discuss the most important questions of the country's present economic and political moment.

This is also the subject of an introductory report on "the strengthening of the leading ideo-political role, unity and responsibility of the League of Communists in the struggle for overcoming the socio-economic crisis," submitted at the conference by Bosko Krunic, president of the Presidency of the Central Committee of the League of Communists of Yugoslavia.

The three-day conference, attended by more than 800 delegates, should mark a "turning point" in Yugoslav society's action for overcoming the current crisis, secretary of the party leadership Dragisa Gacic told journalists.

According to unofficial sources, over 300 delegates will participate in the debate. Particularly important is the fact that 52 per cent of the delegates come directly from factories and enterprises.

Participants Establish Agenda

LD2905203488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1409 GMT 29 May 88

[Text] Belgrade, 29 May (TANJUG)—Today at 1600 in the Sava Center in Belgrade, the first conference of the LCY began. Bosko Krunic, president of the LCY Central Committee Presidium, opened this highest gathering of Yugoslav Communists between two congresses. Over the next 3 days, it will establish the upcoming tasks to strengthen the leading ideopolitical role, unity, and responsibility of the LC in the struggle for a way out of the socioeconomic crisis.

After the election of the working presidium of 15 members, of whom two thirds are elected delegates and a third are members of LCY organs, Radisa Gacic, presiding over the first plenary session, greeted all the participants in the conference and informed those present that the work of this meeting is being followed by some 400 Yugoslav and foreign representatives of the media.

The conference decided that a delegation composed of Bosko Krunic, Vinko Hafner, Zlatko Ferizovic, Ena Kovacic, and Radomir Vujacic should place flowers on the grave of Josip Broz Tito.

From the moment when it was convened until today, said Radisa Gacic, the conference has received a large number of letters, messages, demands, and complaints from members and organizations of the LC and other working people and citizens. In all these messages the desire, and at the same time the call, is clear, that the conference should end its work successfully with clear tasks and stances.

Gacic proposed, and delegates accepted, that the proposals and demands sent to the conference relating to the draft stances of this party gathering be given for consideration to a working group for the stances. Petitions and complaints of a statutory character, it was decided, will be sent to a statutory commission of the LCY. Other complaints will be considered by the LCY Commission for Petitions and Complaints.

After this, participants at the conference established the agenda:

1. adoption of standing orders for the work of the LCY Conference

2. the election of working bodies of the LCY Conference

3. verification of the mandate of delegates

4. the strengthening of the ideopolitical role, unity and responsibility of the LC in the struggle for finding a way out of the socioeconomic crisis

a.) the report by the president of the LCY Central Committee Presidium

b.) debate on the bases for the stances of the LCY Conference

5. adoption of stances of the LCY Conference

According to the standing orders, delegates elected in basic, municipal and other responsible organizations of the LC, in central and provincial committees of the LC and the committee of the LCY organization in the Yugoslav People's Army are taking part in the LCY Conference with the right to make decisions. Members of the organs of the LCY who also have the status of delegates—and these are members of the Central Committee and of the statutory and supervisory commission of the LCY—also have the same right.

A debate at the LCY Conference began with the proposed rules of procedure. Jovan Djordjevic (Nis) proposed that work should be done in a plenum since the party, according to him, is divided and federalized to such a measure that together we should speak about the difficult times in which the country finds itself.

He stressed that work in groups is contrary to the already held LC conferences in the republics.

After all, he said, in all difficult times at congresses work has been done in plenums, and this juncture is precisely such a time. Work in groups could water down the problems, and this, I hope, Djordjevic said, is not the aim of the LCY Central Committee Presidium.

Radisa Gacic, who was in the chair, explained that the presidium and the working group for the preparation of the conference had proposed that this meeting, apart from a plenum, should also work in three groups so that the biggest possible number of delegates would be given the opportunity to take part in discussions.

We estimated, he said, that as many as one delegate in two could ask to speak, which would demand a great deal of time. There are arguments in favor of each of the proposals, so let delegates decide in which way they will work.

Silvo Gorenc (Slovenia) said that if work was done in a plenum, at least half of the delegates would be deprived of the right to speak. In this way, grassroot views on how to get out of the crisis would be lost, and the conference would not fulfil its aim. Work in plenums could prolong the conference, and many of us have to go back to our workplaces, Gorenc concluded.

Dragan Nikolic (Belgrade) spoke in favor of work in a plenum because of the need to view the totality of LCY problems. Such work, according to him, should not necessarily mean the prolongation of the conference, on the contrary. The only thing that is necessary, as he pointed out, is to reduce a debate to 5 minutes and prevent empty words and false orations. The 25,000 LC members I represent were not in favor of plenary work, Nikolic said.

After this debate the conference with the majority of votes adopted the proposed rules of procedure, that is, decided to work in three, provisionally divided, working groups for socioeconomic relations, sociopolitical system, and for the development of the LCY.

After this Bosko Krunic, president of the LCY Central Committee Presidium, submitted a report called "Strengthening the Leading Ideopolitical Role, Unity, and Responsibility of the LCY in the Struggle for a Way out of the Socioeconomic Crisis."

After the report by Bosko Krunic, president of the LCY Central Committee Presidium, the conference approved the report of the verification committee, in which it is stated that 768 out of a total of 785 delegates are attending this party meeting. For justified reasons, explained Saban Kevric, chairman of the Verification Committee, 6 elected delegates and 11 members of LCY organs are absent. This means, he added, that the conference can have a mandate to establish stances and proposals.

Out of the total number of delegates, Kevric stressed, 420 were elected in basic, municipal, and other responsible organisations of the LC—in accordance with the principle of one delegate for each 5,000 members. The central committees of the LC's of the republics elected 20 each and the provincial committees and the committee of the LCY in the Yugoslav People's Army 15 delegates each. Two hundred members of organs of the LCY Central Committee and of the statutory and supervisory commission also have the status of delegate. Twenty-four bearers of public and state offices, who otherwise attend sessions of the LCY Central Committee were also invited to the LCY Conference without the right to make decisions.

Stressing that among the elected delegates there are 300 from material production, Kevric noted that the electoral criterium, as it affects women and youth, was nevertheless not fully respected. In fact, the number of them among LCY conference delegates was proportionally fewer than the extent to which they are represented in the party membership.

Concluding the first plenary session of the LCY Conference, Radisa Gacic, presiding, stressed that the work at this meeting would take place this evening and in the course of tomorrow in three groups—for socioeconomic relations, the political system, and the development of the LC. On Tuesday, the 3d day of the conference, work will again be carried out at a plenary meeting. Gacic also mentioned that the starting bases of the FEC for reform of the economic system, issued to delegates, should be treated at the conference only as information material.

Krunic Gives Speech

AU2905183988 Belgrade Domestic Service in Serbo-Croatian 1425 GMT 29 May 88

[Speech by Bosko Krunic, president of the LCY Central Committee Presidium, at the LCY Conference at the Sava Center in Belgrade—live]

[Text] Comrades,

We are holding this conference at a crucial moment in our crisis, on the threshold of deep-seated reforms in the economic and political structure of society. It was for this reason that the LCY Central Committee decided to devote the theme of the conference to LC responsibility in the struggle to find the way out of the crisis. The theses for the preparation of the conference and the basic points for the positions are filled with these contents from their first to the last point. During the public debate before this conference, Communists made exactly these demands with a special firmness and commitment, and delegates have been informed about this completely and continuously. The most frequent remarks, however, have been made about the generalized character of the proposed documents. What we wanted to achieve with these documents was to stimulate the debate and to give it a basic outline. The specific contents should come primarily from the public debate and from the debate at this conference, and then the most important part of the work, the concretization in conformity with the statute, will be performed by the Central Committee.

This period is fateful in many respects, because we are solving questions that will determine the paths of our economic and self-managing transformation in a more lasting way. An awareness of this has been emerging over a long period of time. We have been impermissibly slow, but objectively a long time was neeeded to make this awareness predominant. In the meantime, we held two congresses, adopted many documents ranging from the Long-Term Economic Program to the present constitutional amendments. Therefore, we have a sufficient number of programs and documents, it is finally clear what this is all about, at which turning point we are, and what direction we must take to find the way out of the crisis. This is, however, no longer worthy of praise, because only now are we where we should have been long ago—that is, at the beginning of fundamental changes.

We have had disputes for a long time about the character and depth of the crisis, unfortunately in the LCY itself as well. It was only at the 13th LCY Congress that we stressed clearly and firmly that what is involved is a historical class conflict between statism and self-management, and accumulated economic and social contradictions that cause the predominance of the concentrated political power over economy and over all sources of the self-managing workers' power. However, even after this we failed to eliminate the conservative and dogmatic resistance to radical changes in this situation. On the contrary, this resistance hampered and corroded us, and even the LC itself succumbed to them. The overall situation is thereby more difficult than at the time of the 13th congress, the economy is in an even greater crisis, and the lack of confidence in the LC's resoluteness and strength is greater, as is political dissatisfaction. Therefore, there can be no further delay.

We must now direct all forces toward further elaborating and realizing major changes in three basic areas where the question of the further strengthening of the self-managing production relationship and the self-managing power of workers in our society is being solved: First, the reform of the economy, and the profound reform of the economic system in particular; second, the reform of the political system and changes in the constitutional system in particular; and third, the democratic transformation of the LCY, which will enable it to act as a united revolutionary power of social consciousness and action during the coming changes.

We will succeed only if we now proceed faster, without hesitation, in the face of the profoundness of the changes or because of the resistance of a number of people in the LC and society. It would be utopian to expect that we will all agree absolutely in such matters. We will either have sufficient political courage and social forces to effect the necessary changes, or we will arrive in the 21st century on the fringes of Europe with unbearable inflation, a disintegrated economy and social structure, and at the tail end of cultural and civilizational progress.

I would say that we are now at the epicenter of the crisis, with economic stagnation on the verge of recession, with high inflation that threatens to get out of control, and with increasingly exacerbated social problems and political discontent. At the same time, however, all this forces us to react much more quickly and resolutely, and it gives us the right to say that we now may be, quote, at the most productive moment, and in a situation when it cannot go on this way. Crisis is not the same as ordinary calm times. A society that enters such a crisis as we have cannot find the way out without extensive changes. The historic mission of the LCY lies in preventing chaotic activity or the imposition of changes which, irrespective of intentions, will objectively mean abolition of self-management, but, on the contrary, to strive for changes along the line of strengthening and deepening self-management. It is for that reason, and not for some opportunism, that at this conference we must turn forward as much as possible.

It is simply no longer time to just reiterate uselessly, endlessly, and repetitiously radical criticism and to spill bile because of the difficult or increasingly difficult situation. In our criticism of the situation, we are now equal in harshness and our assessments—all of us from local communities and associated labor organizations to the federation. However, this is not where the peaks of democracy are, because were they there, we would have

scaled them long ago. We should reach the right meaning of criticism, the new solutions, and the action to change the situation and to progress from words to deeds.

Responsibility was perhaps invoked most in connection with the recent increase in the crisis. Nobody can or should oppose the establishment of responsibility for mistakes made in each place, in each organ, and in proportion with the importance of his job or because the times are hard, consequences are drastic, and there is no pardoning.

It is high time that we realized that the demands issued at the 13th congress to the effect that open problems require the LC to come to grips with the situation in its own grassroots and, in particular, with its own bureaucracy, which is the first to oppose self-management and democracy. This demand applies above all to LC organs at all levels.

However, on the waves of criticism, there is a lot of emotional closing of the eyes, or better said, emotional omissions in which it seems to some, for instance, that the LC has done nothing at all in terms of realizing the decisions of the 13th congress. Such generalized assessments will not be useful to us. That which should be most harshly criticized about the LC and its organs is the fact that all tenets and changes were taken up after a long time of building positions, vacillations, and the unnecessary waste of time. Our main demand at this conference must be to make a radical change in our relationships and to sharpen the responsibility toward the tasks of the 13th congress—particularly when what is involved are coming reforms that have already been outlined in the Long-Term Economic Program—and to change the relationships through deeds and not words.

It is upon this and not upon empty promises that we, as the LC, must build political influence and reputation in society. We must not allow ourselves to be the last ones to speak our minds or to give way gradually where we should be the first to bravely and radically come up with new ideas. In particular, LC organs and the grassroots must no longer be out of step with each other. To lag behind the demands of the times does not, as a rule, happen to the grassroots, but to the leadership, and it happens when that leadership fails to use the vital impulses and the motive force of human interests. It is there that we have to see the most serious criticism and self-criticism in the LC and to intensify the criteria of responsibility to the fullest extent.

This was also the main demand of Communists during the past debate on the theses for the conference. It was in such an atmosphere that LC conferences occurred in those republics that held them. It would have been a barren phrase to reiterate that the harshness of criticism and many demands of Communists are obligatory to us. They have already obliged us—primarily it seems, the LCY leadership and the leaderships of republican and provincial LC's. Our first task is for these demands to achieve the right expression at the conference and then be realized with full responsibility.

The changes in the economy that we are making must be carried out as soon as possible in the realization of an orientation, conceived as long-term and complete, toward an open-market economy under the conditions of social ownership and socialist self-managing socioeconomic relations. This is the main aim of our economic reform and of our new development strategy that should prepare us for scientific-technological progress and economic democracy with self-managing contents as the main motive of this progress. We have embarked on this and must not stop. The LC is the first that should free itself from fallacies and dogmas. It must change more quickly its outdated consciousness on the relationship between the economy and politics, which is the greatest obstacle to such strategy.

It has been 30 years since we clearly expressed in the LCY program the meaning and significance of the functioning of commodity production, the market, and planning under the conditions of socialist self-managing social relations. However, this orientation in the program still has not been reached in the LC. In the coming reform, the LC must make a resolute turnabout along this line.

The first step should be the elimination of bureaucratic resistance and dogmatic views. Attempts are still made to impose dilemmas in the market or self-management. Such dilemmas are absurd and can only be proposed by someone who counts on our minds being ossified and on socialism being enslaved by state machinery and inertia. We are aware that the operation of the market is accompanied by many negative consequences, ranging from job insecurity to various forms of economic, political, and moral alienation of man in the process of commodity production. However, is it necessary to prove that incomparably greater evil is caused by state-run economy, statism, technocracy, amd political power over the economy that becomes power over producers and leads to a drastic lag in productive forces of society, thus creating many more grave economic and social consequences for man? This is also shown by the historical experience of modern socialism.

Our strategic orientation is to respect the market and economic laws. This is because without them, at the present level of our development, there would be no social production relationship and no freedom and independence for the economic entities that they gain only as commodity producers. There would be no creative initiative of workers and no responsibility for the fate of social property. Ultimately, there would be no economic efficiency in operations and no joining of our economy to world economic currents.

For all these reasons our orientation is toward the market economy. Nobody has imposed it on us from the outside—or could impose it on us, as some people now try to prove.

The most essential thing for a turn to a market economy is to ensure what is its basic prerequisite: market valuation of all factors of production. In this respect, the LC really must do everything to end inertia, the dogmatic and technocratic resistance, various misunderstandings, and confusion. This is now politically the most pressing question in the action for economic reform.

The conference cannot indulge in theoretical discussions of this kind. There have indeed been many of these, and there will be more, but we must leave this conference united in our view that the reform of the economic system and the economic policy makes possible and supports, above all, the independence of the economic subjects, and this ensures that workers efficiently manage socially owned assets and social capital, that they bear economic risks for their decisions, and so forth.

We have proposed these stands to the conference as the chief positions on these questions. We should finally eliminate ideological stumbling over the interpretation of the nature of the market and the firm correlation of all factors of production that cannot be separated and arbitrarily altered, or applied in dribs and drabs. The LC must have a clear view and a political stance on the fundamental direction of the development of the economic system and on economic policy. The initiatives or concepts that have been formulated in this connection in individual LC organizations help us a great deal. After this conference, we should take another step toward the realization of these initiatives.

The main dilemmas and controversies crop up about the possibilities and the nature of the capital and labor markets under our contemporary conditions. The working group preparing this conference and the Presidium tried to provide principled ideopolitical answers. There was no dispute for a minute that we must take all market categories into consideration. With respect to the directions for elaborating specific solutions, the view prevailed as offered in the basic elements for the position that in our conditions we have to deal with a specific labor market in which the working contribution of a worker is valued, which is to say that we have to deal with relations under which he is not just the owner of his own labor, but at the same time the manager of socially owned means of production.

We advocate that space be freed for the self-constitution and free organization of associated labor, and that the tremendous burden of normativism be eliminated. Deregulation, about which we have been talking so much lately, is in fact an imperative of the time and a prerequisite for successful business operations, the working of the market, business and self-managing responsibility, and in general one of the conditions for the economy to emerge from statist encirclement.

On this question, too, there is hesitation, suspicion, and even resistance. According to some people, such propositions will create an absence of authority and anarchy, and will bury socialism. Such misunderstandings can only be the fruit of dogmatic notions according to which there is no socialism without state regulations, and workers will not be able to produce and manage without the daily paternalism of the state and political bureaucracy.

Of course, we have no intention either of negating the need for the modern state, which will attempt to create a rational and functional economic system, conduct economic and social policy, and plan socioeconomic development. Of course, all of this is under the conditions of social ownership and self-management. The state must be an instrument in the hands of workers organized in a self-managing way, and not a power over them. It must in no way reduce the workers associated in self-management or their independence and responsibility as commodity producers and creators of new value and managers both of their production and of newly created value.

When we advocate the elimination of administrative management of the economy, we do not mean the absence of any norms, but in fact we mean a new quality and role of state norms. We request that these norms be created as clear principles, that scope be provided for self-regulation that will be as free as possible, and that self-managing rights will have their appropriate role. Such self-regulation is the essence of self-organization in associated labor and self-management in general.

It has long been clear—and we established this at the 13th LCY Congress—that the only way of pulling our economy out of its huge economic difficulties is to restructure it. Comprehensive solutions must now be found that make it possible for the economy to change its structure as fast as possible in accordance with the economic logic of economic coercion imposed by the market, of course accompanied by the necessary social directing. Considering the situation of our economy, this will be a rather difficult process, frequently painful and convulsive, and also protracted. We must concentrate most on ensuring the mobility of social capital, workers, and other factors of production, and flexibility and maximum mobility of the organizational structure of economic units.

We have heard a comprehensive analysis of the development of self-managing organization of associated labor under the conditions of a market economy (?in) the recent discussion in the Central Committee. After this conference, we adopt conclusions. I will only draw attention to the fact that what is at stake is a need to overcome the present monotypic organizational structure of the economy that is imbued with normative

methods and is in many ways hidebound. It is necessary for workers to be ensured the self-managing right of association and organization according to economic logic and the self-managing principle in establishing mutual economic and other relations in work and business operations.

Only such an organization of the economy, open to the market and based on self-management, with clearly defined subjects of commodity production and of their economic responsibility will open the way and provide a new impetus both to the changes in the structure of the economy and its economic efficiency.

The entrepreneurship of workers associated in self-management under the conditions of social ownership, as well as the professionalism and efficieny of the managing function are an indispensable element of such an economic transformation. However, as much as we may insist on this, we must to the same extent insist on opposing any tendency of technocracy and technocratic usurpation of self-managing rights of workers and their organs in associated labor. Let us never lose sight of the fact that this is a real danger that is very much present, and it is one of the greatest opponents of self-management.

Just as fundamental reforms in the economy are essential, so also are reforms, as an integral part of the former, needed in the overall social superstructure, and especially in the field of social activities. The present situation in this field is very difficult. This sphere imposes a tremendous burden on production. It is not developing in accordance with the needs of associated labor and society as a whole. The position of workers in social activities is deteriorating, and so forth.

The main aim of reform in this sphere must be to make these activities become an integral part of productive forces and serve them, because otherwise there can be no economic efficiency of production.

The reform must also thoroughly change the administration in all fields and at all levels. The administration must get free of being hidebound, parasitic, and irresponsible, and above all incompetent, all of which is now an enormous burden on production and creative work in general.

Instead of appeals or empty political campaigns, under which tenacious conservativism would lie low only for a short time, one must, in every organization and community, adopt and implement specific programs of measures for reducing the administrative apparatus and professional services and for improving them.

The deep transformation of the economy that has been started also demands a cadre renewal in the free competition of knowledge and ability in every working place and office. We must adjust our system solutions, labor relations, remuneration, responsibility, and all aspects of motivation.

The prospects of our economy and society are now opening up for the coming century. Questions of our technological future are being solved, as well as the question of our presence in the mainstream of technological and scientific progress. This, in the first instance, is a matter for the younger generations and new cadres. We must, in practical terms, begin to appreciate this fact, and we must radically change the situation which, in the crisis, has led to the absurdity of a large part of the young generation being thrown onto the sidelines of society's work. The young generation has never before faced greater dilemmas and revolts, dissatisfied with the slowness and irresolution of the opening up of real prospects. There is a pressing need for young people to be engaged as the most specialized and progressive production force, and this is a condition for finding a way out of the crisis. The LCY must give all its support to these ambitions of the young generation. The best way to do this will be by taking measures and practical action that will make reform and the prospects of the young inseparable. The contrary would betray one of the loudest messages of the 13th Congress on solving the social position of the youth in Yugoslavia.

The LCY Central Committee and its Presidium take the firm view that all open questions of ownership must be resolved without delay. We advocate the development and strengthening of social ownership as the dominant form of ownership in production and in other fields. The affirmation of social ownership must be viewed through its economic efficacy under the conditions of a market system. We in fact advocate a much clearer definition of the subjects of social ownership. These must be self-managing associated workers as the exponents of commodity production in the market, in various forms of their association and integration.

We need much greater protection of social ownership and, above all, a protection that arises out of itself by means of efficiency, rationality, and economy-mindedness in reproduction. It must separate the protection of social ownership, which is directed toward strengthening its ability to widen the financial basis of work and to adopt new technology, from that, quote, protection that will make it economically sluggish, inefficient, and inflexible—that is, from that protection that has for years already created conditions for unprofitable business and the covering of losses, and that threatens to simultaneously compromise social ownership as the basic social and economic relationship.

The LC must fight for autonomous economic subjects—associated labor, on the basis of market incentives—to use social funds in a planned and rational way as the material basis of socialist self-management. We must put a stop to statist and every other kind of interference in associated labor, in basic policy, and in decisionmaking on the distribution of income introduced in cadre policy.

In the proposed stances, we have at the same time stressed the need for full legal security and the expansion of room for the development of private, cooperative, and

mixed ownership and its integration with social ownership. Standpoints that view the greater opportunity for involvement in production of the funds of citizens and foreign capital as a threat to social ownership and its further development and growth, are unacceptable. In conditions where social ownership is dominant and represents the basis for socialist self-management, such suspicions are unfounded but, it is essential to use all motivating and other positive aspects of other forms of ownership, taking into account the limits to the exploitation of the work of others.

In the future we will have to stimulate, to the same extent, the development of both private and collective ownership with effective measures that can make a significant contribution to increasing social wealth and new employment.

Inflation is the concentrated expression of all the defeats and failures of our economic policy of the distant and recent past, as well as of failed, partial, and uncoordinated measures of the current policy that we have to finally shed. The measures that will now be taken are in line with the stances of the LCY Congress and Central Committee. It is the duty of Communists in all positions where the current and developmental policy is being created and realized, to consistently implement this with all the powers at their disposal. The aim and meaning of these measures must be clear: The creation of conditions for the realization of the key tenets of the long-term program of economic stabilization. These measures are not in the least easy. They cause and will cause many upheavals, conflicts of interest, big social problems, regional and city antagonisms, and so on and so forth. However, if we decide on this concept of measures, then we must persevere with the liberalization of prices and imports, the hard currency market, the restrictive credit-monetary policy, the limitation of general and joint expenditure, noneconomic investment, and personal incomes.

The decisive and effective struggle against inflation will undoubtedly lead to great social upheavals, but if we again allow inflation to have the upper-hand, then this will lead to much more serious consequences. Our conference should have a united stance and firm determination, as well as demand that the creators of economic policy and all organizational subjects bear full responsibility for the working out and creation of an effective anti-inflation policy and, in this context, a policy and measures on social policy.

Recently, all political organs have been talking about reforms, the market, and the full respect of economic laws. But what does it all mean without preparations for the period when all these factors become operational?

Reform is not in its articulation in declarative fashion, but in the preparations and organized work. Social upheaval is certain and could be severe, and we have nowhere near carried out preparations in associated labor, the communes, the republics, the provinces, and even in the federation with respect to all estimations and the taking of measures. They all more or less remain where they have been. For instance, they remain at their present level of taxes, contributions, voluntary contributions, and almost all levies. Nonproductive consumption is being reduced very modestly. We care least about social consequences, and therefore the measures are also not adequate. Let us reduce administrative costs substantially, let us put travel into more rational framework, and so forth. Generally speaking, let us organize ourselves to save all material and financial resources for the main aim of the reform.

In order to emerge from the economic crisis, in order to further develop and strengthen socialist democracy, we must go for more profound and bolder changes in the political system. Economic instability did not remain isolated and has shaken the stability of the political system. Thus, the depth of the economic reform is also causing corresponding changes in the political system.

On the whole, we have been late with constitutional changes, mainly because we spent too much time defining the aim and direction of the economic system and the operative elaboration of the program of economic stabilization. However, throughout the whole period between the 12th and 13th congresses, we had, as you know, long discussions and vacillations about which I have already made remarks.

Now it is most important to complete the constitutional changes as soon as possible in order for us not to be beaten by time again. There is no question of any kind of delay in the adoption of amendments, and furthermore, schedules should be reduced as much as possible while, of course, keeping within the constitutionally permissible limits so that this could open the way for economic reform measures. Here, too, we must stress that it is impermissible that there already is a delay with the work in the constitutional commission and that even the previously envisaged time limits are under threat. In other words, we must now invest all the more effort to make up the time that up until now has been unjustifiably lost. The greatest ideopolitical responsibility for this rests with the LCY. This is why all the Communists, particularly those in the highest organs, must act in their further work on constitutional changes as if this is their most urgent tasks.

Another question is whether the constitutional changes proposed so far are sufficient. It is obvious that they are not. However, we should now proceed immediately with those changes that have already been defined in the amendments including, of course, those proposals in the public debate about which agreement can be reached in the envisaged time frames. At the same time, the critical debate about open questions that have been raised in the public debate, but are not agreed on, should be continued. This is so that we can keep the door of the adaptation of the political system open to the needs of

the development of self-managing production relations and the democratic demands of the time. Naturally, self-managing democracy in production must also find its proper origin in the political system's institutions.

We should approach the question of constitutional changes consistently with our own orientations and particularly with the stances of the 13th congress and the 11th session of the LCY Central Committee held in January this year. At that, we established the basic ideopolitical criteria and our attitudes toward numerous proposals and demands for changes. We must continuously bear in mind the necessary new breakthroughs in socialist self-managing development. We must crush the dogmatic and quasirevolutionary pseudo-defense of these or those concrete institutional solutions and, at the same time, keep the door firmly shut to those, quote, changes that would lead to retrograde developments as well as to the fragmentation of foundations both in the socioeconomic relations as well as in the federal system and in political relations in general.

May I remind you that calls are now being made for some other kind of constitution, for some third Yugoslavia. These calls are, in fact, counterrevolutionary, because they would lead us to conflicts on a national basis and other roads to the abyss that is well-known from the past. As a socialist country and community, Yugoslavia cannot and will not be other than AVNOJ's [Antifascist Council of the National Liberation of Yugoslavia] and Tito's Yugoslavia, as if we had won it in a lottery and now everything can be auctioned off, including the federal system and the republics and provinces, and internal borders, and so on. It seems to some that in this democratic debate everyone is rightly bidding to be equally treated and accepted. None of this would be worthy of attention had some Communists not agreed publicly with these creators of the past and given them a silent support or at least acted in an opportunistic way. These are now phenomena that we should not give the nod to, and this conference must demand a process of differentiation on this.

We have considered with the greatest attention the questions of realizing the constitutional conception of the Yugoslav federation. Serious and chronic problems are concentrated here as well as our weaknesses, which for years have been on an upward trend. In the overall work on the constitutional changes these questions were central, but despite this they were and have remained the most controversial. Numerous and very significant changes were thoroughly discussed and proposed in the amendments. These are, for instance, changes connected with the abolition of consensus in the executive field, the jurisdiction and responsibility of the federal organs for implementing the laws, the unified Yugoslav market, some legal obligations of the federal organs, etc.

However, in the implementation of our concept of the federation we do not have problems only with the norms that have failed to withstand the test of practice, but also have problems with the implementation of those solutions not challenged in practice. I am primarily referring to the implementation of certain joint interests in the federation, direct cooperation and negotiations between the republics and provinces, the efficiency of the federation's functions that are solely in the jurisdiction of its organs or where the decisions are made without the necessary consensus, the overcoming of the tendencies of the republican and provincial blockage in the work of individual federal institutions and organs, and so on. The federation's functions are being carried out with ever-increasing difficulty along all the lines. The economic crisis strengthens the existence of the conflict of interests, it multiplies difficulties in reaching agreements and achieving a synthesis of interests at the federal level all the way down to the bottom limit of the federal system's efficiency. Therefore, we cannot make the federation more efficient by centralizing power or by applying any kind of unitarist concept. This is because that would amount to a deviation from the substance of the federal system and would only worsen the conflicts in the country.

It is polycentric statism that is dealing the heaviest blow to the implementation of the concept of the federation and our unity in general. This statism breaks up the unity of the class and national interest and leads to a division of the workers class. We must seek the solution to our problems in the efficient delegate presence and the influence of associated labor in the system of the federation.

The country's unity is the prerequisite for overcoming the crisis, for every reform, and for the success of all measures. This unity is now threatened by many contradictions, differences, and conflicts. We cannot seek a verbal unity. The Communists and all the working people of the country insist that the essential elements of this unity should be established and realized.

There is no doubt that the basic question of our unity is the unified Yugoslav market. It must be a fully open market within the Yugoslav borders, and it must be a market of all production forces exposed to economic laws. However, none of these market factors now operate freely. Sometimes they are hindered more than they have been restricted by us in their relation to the world market. How will we open up vis-a-vis the world if market laws do not operate freely in Yugoslavia and if there is no free market, or commodities, or work. Shall we in Yugoslavia become unitied via the world, that is, via the world market? Shall we allow national economies under the statist patronage to open up separately to the world market, shall we have and tolerate the permanent capital [Krunic corrects himself] secret capital and permanent speculations with foreign currencies, and so forth?

The real origin of all disunity is in the problems in the economic area. There is no need to look for other reasons or ideological divisions and lose our way in gulfs of

history in order to explain the confederalist aspirations in Yugoslavia and the federalization of the LCY. When we have closed the circle we have again come—regarding both the disagreements on the Constitution and all other problems—to the question of who controls surplus value.

There is a direct link between the unity of the workers class and the unity of the LCY. Now all the criticism is addressed to the organs of the the LC, and especially to the Central Committee. Illusions are implicit in this criticism that the Central Committee alone can get on top of the whole situation in the country and in the LC and that it can, from a distance and by virtue of its political authority, resolve these difficult historical problems. The leaderships and the Communists—especially in individual republican, provincial, and other organs—frequently criticize the Central Committee for the identical reasons their executive councils criticize, for instance, the Federal Government. We are not seeking an answer to these problems either in a unilateral and incorrect way or by persistently invoking discipline and demanding the Central Committee to be all powerful, as if the members of this Central Committee did not come from specific communes, from specific organizations, from specific cadre lists, and so forth.

It therefore follows that the road of economic reform, for which we have opted, is at the same time the sole correct road of self-managing integration in the Yugoslav area and of surmounting the divisions. This is the road of relying, by self-managing elements in associated labor and society, on self-managing linking up and integration not only in the field of production forces, but also in the field of political and economic life in general, and thus in the functioning of the federation.

The unity of the country, and also the function of the federation, must be carried out rather through the direct responsibility of the republics and provinces, which in their practice must relate to these functions in the same way as they do toward their own jointly agreed rights and responsibilities. Efficient activity of federal organs, in keeping with their constitutional powers, is an integral part of this approach. The federation is not above its members, but then it is not outside them either. It is in fact us, all our working people, citizens, and the peoples and nationalities. Therefore, we must all pay attention to how it functions, whether it is rational, and efficient, and whether we respect and apply what is decided at the federal level. The LCY must particularly insist on the unity of class and national elements as the crucial question on which the entire fate, systemic solutions, and all relations in the federation depend.

In the forthcoming constitutional changes, we must pay exceptional attention to the solution on which the building and the implementation of unity and togetherness in the SR of Serbia depend, because they are at the same time solutions upon which depend not only the constitutional status and the stability of this republic, but the whole of Yugoslavia as well. What constitutes the spirit of the 13th congress and what constitutes the fundamental approach achieved in the LCY, is the fact that all outstanding problems in this area are resolved without delay and with joint efforts and full responsibility, above all those of the LC of the SR of Serbia and the LC's of the autonomous socialist provinces. This is also the stance of both the 13th congress and the 11th LCY Central Committee Session.

We can no longer talk about Kosovo simply by repeating that this is a joint problem of all peoples and nationalities of Yugoslavia and of all the republics and provinces. We have been trying to convince each other of this for too long, and, at the Ninth Session of the LCY Central Committee, we finally agreed that Kosovo was a general Yugoslav problem. We must ask ourselves what we all together have done to conduct ourselves in keeping with this knowledge, because in Kosovo the situation of intranational relations is still difficult, the tragedy of intranational divisions and mistrust is not abating, and in fact in some dimensions it is even getting worse. Emigration under duress goes on, and this must be described as a lack of success for the Kosovo policy.

We rightly insisted on the responsibility of the provincial leadership, especially the LC leadership, but as far as the implementation of the conclusions of the Ninth LCY Central Committee Session is concerned, the same must be valid for the leadership of the LC of the SR of Serbia and of Yugoslavia, as well as for other leaderships in the country, and for all other institutions of the system. Of course, the greatest responsibility is still borne by the Communists in Kosovo and by all progressive forces of all peoples and nationalities, and their institutions and organs. I repeat, we must always keep in sight the comprehensive nature and main objectives of the policy of stabilizing the situation in Kosovo. We cannot be satisfied with partial results or indeed deny all the results. We can be neither calm nor satisfied while emigration under nationalist pressure continues. In pursuing our commitment to carry out comprehensively the policy of stabilizing the situation in Kosovo, we must fight every day against all concrete manifestations of Albanian nationalism and irredentism, which are the main threats, and we truly must not overlook all other nationalisms that are hampering our tasks in Kosovo.

We can overcome the crisis only if we strive more for a more modern and efficient democratic, social, and state system. We have to a large extent ignored, and I would add, underestimated, constitutionality and legality as the fundamental principle of this kind of system and as an extremely important ideopolitical matter. In this we have a concentration of a large number of questions connected with democratic and legal thought and with self-managing morals as the norm of life and management. It was only last fall that we paid particular attention at a Central Committee session to constitutionality and legality, but further action has largely died away. This has happened under conditions where Communists

and working people are raising these matters as very important questions and at a time when they are demanding that the LC, and particularly its leaderships, act more energetically and with less opportunism in the face of the flood of violations of the constitutions and laws and moral slips in the behavior of some responsible people. These problems often assume dramatic proportions in a crisis. The entire social awareness and climate are already so acute so as to require a radical turnabout. This is also pointed out in the discussions on the theses held in preparation for this conference, particularly in some republics and provinces. Insisting on building and respecting a legal order cannot be simplified as a question of legal formalism. We are talking about an essential question of our readiness for commodity production and market behavior. In this area freedom, equality, and moral codex of one society are also realized.

We have conducted long discussions and have built fairly uniform views on some key problems that should improve socialist self-managing democracy within the entire social relations and in the functioning of the delegate system in particular. As far as this is concerned, I would like to particularly point out the importance of our efforts to supress excessive institutionalization and norm setting that hinder the strengthening of relations among the delegates, and new solutions and measures in the electoral system that strengthen delegate links and relations, such as the broadest application of direct elections, several candidates for each delegate and official post, secret ballots, and so on. These commitments, implicit in the stands too, are coming on the waves of almost spontaneous criticism of the functioning of the political system from the grass roots itself, and demands of the working people and citizens for more democracy and more publicity, for respect of democratic achievements of our and other modern societies, and for the development of democratic communications and the realization of control over the work of all social institutions and officials. In this sense, a demand is now being made to develop socialist public thought as an essential element of our self-management. This presupposes everybody's right to publicly express his criticism. The obligation of every institution, every official, and every worker is to be open to the public. This publicity is the measure of the maturity of democracy. It is and should be the vehicle for motivating the people, for control, and for the broadest possible communication between social institutions and the citizens. Ultimately publicity should also be a function of productive relations and of social relations in general.

At this conference we should particularly stress the responsibility of the Communists in public media. Professionalism and ethics are the criteria for ideopolitical precepts and conduct, and they must never be reconciled to opportunism toward occurrences of nationalism, separatism, sensationalism, anti-communist occurrences and tendencies, and attacks against the achievements of the revolution, the system of all-people's defense, the Yugoslav Army, and so forth.

In February this year, we had an action conference of Communist journalists. The clear commitments taken on at that conference seem to have evaporated quickly. Under the cloak of liberties and democracy, reactionary messages continue to be trotted out with undiminished intensity, and they in fact attack the genuine achievements of freedom and democracy. Of course these questions are not the most important ones at present, but it would be political blindness to underestimate them. They are exceptionally important precisely because their destructive behavior may be much graver in an unfavorable situation.

We Communists have taken on the initiative for the development of such a political system of socialist self-management in which all social interests will freely confront each other and the most progressive points of view will be coordinated and asserted in a democratic struggle of opinions. When that is lacking, demands for a multiparty system emerge as a reaction to a single-party system. As is known, the LC strives for the development of a nonparty system of socialist democracy under the conditions of pluralism of self-managing interests. This means that we are not in favor of either a single-party or a multiparty system.

The SAWP should play a crucial role in all this, and, therefore, it is all the more necessary that it should be genuinely equipped for, and open to, the pluralism of self-managing democratic political interests stemming from socialist self-management. It is clear that the present-day SAWP does not possess that role of a broadest democratic front, and the LC bears the biggest responsibility for that.

Since we have allowed great inertia and trailing along behind times in this sphere as well, we have reduced the democratic opportunities of the system's institutions, especially of the political and social organizations, to a point where social and political pressure become concentrated outside the institutional sphere. For us, this is a much greater danger than various retrograde attempts to renew the parties. In brief, there is no need to make any great effort to prove that we cannot affirm and realize our ideas in a democratic way outside the SAWP.

Political pluralism, about which much is being said nowadays, is not something unknown to us, nor is it some new dilemma. We have clear stances on this going back to the 11th LCY Congress and earlier. The fact that this question is assuming negative overtones arises from the fact that political pluralism is brandished most by individuals and small groups who want, by any means whatever, the legalization of the status of the classical political opposition.

The key position from which we also proceeded in the preparations for this conference is that the LC cannot fight and win the struggle for such a democratic nature of the SAWP unless it carries out a renewal of its own, as regards its modernization and adjustments to the

demands of a deeply democratic process in our political system that has been accelerated by the crisis but was started a long time ago. Therefore, the question of the vanguard role of the LCY has not been posed by chance at the present time. Among the failures in the realization of this role are those criticisms that are unacceptable—that is, criticisms that attempt to throw the LC out of the system and relegate it to history's shelves. However, proper and constructive criticism, spontaneous and sharp, is most often expressed through criticisms of the party leadership and dissatisfaction with the realization of the leading ideopolitical role of the LC which, in view of the crisis, focuses on responsibility for the situation in society .

The LC is a part of the system that is constantly subjected to the check of criticism from the workers class and the public in general. Only people who do not understand or accept the role of the LC in the system, its democratic entity, and the meaning of changes in its position in society are horrified by such criticism and even offer resistance. We do not have the right at any level or in any form of organization or in any organ to behave in a hostile way toward criticism from the public and especially toward the membership in organizations. We in the LC itself seem to be the ones who are least self-critical and least ready to accept criticism of our work. The tasks of our transformation are pointed in this direction. The 13th congress especially insisted on the LC being more quickly transformed from the party in power to a real democratic LC. However, we are lagging behind with the practical working out and implementation of a democratic renovation of, above all, the grassroots of the LC. A great number of basic organizations have been virtually deprived of political will and liveliness. This has happened at a time when many sections of society, and above all the workers class, are struggling for existential questions of finding a way out of the crisis.

We consider the relationship between the membership and the organs of the LC to be the most important one. The democratic renovation of the LC must begin today with changes in the method of work through which we will thoroughly develop openness within the LC and the widest possible openness in society of the work of the organization and the organs of the LC. Being closed in only serves party bureaucratism. The membership cannot be the creator and the most responsible implementer of LC policy if it is not directly acquainted with the work of its organs, and vice versa. This is the essential question of the cohesion and political legality of the organs.

At this conference we have to particularly repeat the need for constant democratic communication, full dialogue, and the struggle of opinions and, in this way, establish unity in political action. The integral part of such a democratization is the relationship toward the so-called minority in the LC. I want to say immediately that, in my opinion, this question has to some extent been fabricated and that an artificial dilemma has been created. It would be completely unrealistic and outside the bounds of socialist self-managing democracy to attempt at all costs to create uniformity of opinion in the LC on each specific issue and in fact create a false picture of the monolithic nature of ideas, just as it would be a great democratic failing of our LC if we institutionalized the political opposition of a minority in the LC or outside it. We made these questions clear a long time ago. Some kind of fixed minority and majority in the LC is unacceptable. Our aim is always to achieve a democratic synthesis of opinions, but we must have a democratic and communist attitude, with trust and tolerance toward those members of our league who, in the process of decisionmaking, remain in a minority. We cannot, nor should we force them to change their views, but neither should we allow them to work against the rest, if we want to remain a League of Communists—that is, we must adhere to the principles of democratic centralism in the LC.

The LC is today particularly exposed to criticism from the bourgeois right, on the one side, which is pulling toward the restoration of capitalist relations and bourgeois democracy, most often of the social democratic type, and on the other side, pressure and calls for the working methods of a party in power. Thus, in the LC too, the currents of a pseudo-liberal drive and state socialism are appearing, which are imposing themselves equally aggressively.

The problems of realizing the leading role begin with the question of what is the matter with self-management in Yugoslavia. Does the LCY have the strength to implement its decisions and to overcome differences in its own ranks and to construct a unity of ideas and action with regard to these decisions? Our unity must be measured through the criteria of the workers class and consistency with regard to the decisions of the 13th congress. This is the defining line on which our action is based and according to which ideopolitical differentiation in the LC must be carried out.

The membership and the workers class should ask us, with justification, about unity in the LC and its leaderships, since we have fallen into such distortions, but we will get out of these only if Communists and all workers ask themselves about the unity of the country and the party. I am convinced that today they are much more interested in finding a way to this unity than in exhausting themselves describing and painting in vivid colors all possible differences and peculiarities, and worrying about these peculiarities even when they are not threatening anybody. The crisis is definitely not the time nor the occasion for this. Divisions and quarreling have never pulled anyone out of a crisis, but always pushed them deeper into it.

One need not be scandalized by the differences in the LCY and its executive bodies. They must be comprehended in many respects as a natural state of affairs. It would be bad if we had monolithic unity. What matters is that from the positions that we establish on the

principles of democratic centralism, we reach unity in the realization of these positions in the LC. The question is whether or not factionalism appears in the LC and whether or not we are capable of realizing our conclusions or not.

The LC unity is being built equally among the members, in organizations, and in organs. The phenomena of the LC federalization that we talk so much about are in deep contradiction with the very principles of the very LC, for the LC is not a state party. This is a matter of a constant bureaucratic deformation, which breaks faith with the program goals of the LC.

A special question that I want to broach today in connection with the implementation of the LC role refers to its ability to overcome, in current practice, the opportunism of its members and organizations and of its organs in the struggle against various social deformations, against shortcomings in the LC itself, and finally against various aspects of non-self-managing and even hostile activities in society.

Nationalism is manifested in various ways and very impudently and destructively because, among other things, we as Communists do not resist nationalism in our ranks and in our own nations. This is nothing new, but the situation is getting worse, and, therefore, sharp differentiations must take place on this question, just as on the essential issues of reform in the economic and political systems.

In the LC we must particularly be aware that because of the tremendous economic and other difficulties, economic roots of nationalism are being activated now more than ever before. Speculations have been revived as to who is exploiting whom, who wants to pull out of the crisis at whose expense, and so forth. We must never allow any issue to be decided on such or similar grounds.

Likewise, in the LC as in other social institutions, we often too easily replace necessary political and public discussion and even a confrontation of arguments relating to nationalist passions, with the application of administrative means, reducing the entire social concern and intervention to that field. I think that it is necessary to concentrate our attention on the extent that opportunism prevails in the LC organs and that nationalism creeps into them. This happens when the LC organs turn a deaf ear and become resistant to warnings and criticism from others and when we adopt a defensive attitude toward nationalism in our own nation.

In the internal structure of the LC, we should pursue serious changes which, under conditions of growing democratization will ensure certain ways for the implementation of democratic centralism in the full meaning of both of its composite parts. Above all I have in mind here that the influence of the members must increase for a quicker overcoming of differences that exist especially at the level of organs and that paralyze the work of the entire LC.

The changes that we made in the LC statutes since the 12th LCY Congress have not fully met these requirements of the time. A more critical attitude by the organizations and organs toward their own work is also necessary, particularly in some organizations outside the production sphere where an attitude has embedded itself of criticizing everything and everybody, of issuing messages, indignation, and facile denigrations, all this, of course, in the absence of any critical attitude toward one's own work.

No political organizations, and especially in the LC, can address accusations at others without holding up a mirror to themselves. Meetings in many communities are the chief activities at which self-satisfaction is manifested. The renewal of the LC at the present time, when it must implement in practice the role of the leading force for the way out of crisis, implies among other things more knowledge and ideological ability, more work and democratic discussions, more reliable checking on the implementation of conclusions, public and democratic discussions on the work of organs, and above all a critical attitude toward one's own practice.

The LCY has promoted revolutionary thought, seeking and finding answers in the socialist development in its country, always with a strong vision and with the support of the workers class and the working people. Today we need innovative programs in all spheres. They will enjoy support to the extent that we work democratically and are consistent and resolved to change the situation.

We are always reminded of the duty of the LC to nurture the moral virtues of its members and of ethics as the rule in the everyday behavior of Communists, and of their modesty, human honest, and working qualities as measures of their worth. Today there are more LC members than before who have strayed from these principles. With the increase in social difficulties and differences that become more intense in times of crisis, sensitivity to all these moral deformities and weaknesses in the ranks of Communists and in society in general increases.

Those people who have violated the moral principles of the vanguard and human integrity, who are greedy, who subordinate everything to their own interests, who make themselves rich at the expense of others, who are guilty of various abuses, not to mention those who commit punishable crimes, cannot be in positions of leadership. When we speak about renovation and radical changes in the operation of the LC, these also imply a radical purging of all such elements from the LC and the proponents of these elements.

It is unacceptable that we are indifferent to thieves and to immoral and dishonest people. One of the worst types of opportunism today is that many LC organizations remain silent and tolerate such people in their ranks. Without opportunities and chances for new people, knowledgable people and people devoted to self-management, we will not be able to progress either in production or in social relations. Without a daily checking and testing along the line of class orientation and Tito's course, there can be no leading role for the LC.

Comrades, there is great interest in our conference, which is understandable, because the workers class and all citizens expect much from it. Without a doubt, it will, through its work, mark the hard time of struggle for unity in the program of reform and the further development of socialist self-management. All of us here are responsible for making a constructive contribution to the essential change of direction. The conference should ensure unity from the point of view of the way forward and the opening out of the way to reform, immediately and decisively. Of course, neither the Constitution nor developmental policy can be imposed in Yugoslavia. Without negotiations, without equality, there is neither unity nor survival.

This holds the meaning of striving for the implementation of the decisions of the 13th Congress. Each one of us should leave this conference with the feeling that he has really participated in it in a constructive and creative way; that he has marked its course and final document with his work; that we have contributed to the strengthening of responsibility and the construction of unity in action of the LCY.

Everything that is offered here on behalf of the working group of the Central Committee for the preparations for the conference and on behalf of the Presidium is presented with this intention and in this spirit. Thank you. [Applause]

Conference Breaks Up Into Discussion Groups

Political System Group Confers

LD2905224088 Belgrade TANJUG Domestic Service in Serbo-Croatian 1746 GMT 29 May 88

[Excerpts] Belgrade, 29 May (TANJUG)—The LCY Conference should be a turning point in the efforts to enhance the LCY's active unity. This is the message from the first participants in the discussion within the group for the political system.

Radivoje Jokic (Bijelo Polje) warned that the LC must make a turnabout, primarily in implementing adopted standpoints.

The inference from Jokic's contribution to the discussion is that the LCY, in particular its leaderships, bear major responsibility for the situation in all spheres of social life because of the fact that, as he put it, the party includes both honest and dishonest people, people with principles and cheats, genuine Communists and those who will never be Communists. As a result, black-marketeering and theft of socially owned property have become the norm.

The leaderships have distanced themselves from the rank and file and have become bureaucratized, Jokic said. If the LCY wants to regain its reputation, it has to reaffirm democratic centralism, criticism, self-criticism, and personal example.

Stressing the LCY's role in constitutional reform, Jokic said that the proposed constitutional changes are completely incongrous with the crisis. He proceeded therefore to call on the LCY to adopt proposals made during the public debate as the starting point of its work. [passage omitted]

Faruk Omeri concentrated on the LC's activity in enhancing brotherhood, unity, and national equality. He drew attention to the absence, in recent times, of an appropriate reaction to various hostile attacks on the LC's policy of equality. According to Omeri, much has been done in Tetovo Municipality to enhance equality and fraternal relations among Macedonians, Albanians, Turks, Romanies, and others. [passage omitted]

Thanks to the policy of the LCY, full equality has been ensured for the Albanian and Turkish nationalities and the Macedonian nation, noted Sevdzihan Sasko (Macedonia). She added that members of the Albanian and Turkish nationalities are present in all areas of life—from the municipal to the federal level. Illustrating the equality of nations and nationalities in Macedonia, she stressed that all children of Albanian and Turkish nationality between the ages of 7 and 15 attend school that is taught in their mother tongue.

In order to strengthen and attain firm brotherhood and unity, we will struggle resolutely, particularly against Albanian nationalism and separatism, Sevdzihan Sasko said, warning that members of the Turkish nationality are bearing the brunt of Albanian nationalists and separatists who wished to assimilate them. In the municipality of Struga, after the war there were 3,000 Turks. Now their number, under pressure from Albanian nationalists, has been reduced to some 900, Sasko stressed, and called for resolute action throughout the country against all forms of nationalism.

Ante Gilic, (Zadar), said that the documents for the LCY Conference—the theses and the bases for the stances—remind him of Shakespeare, or more precisely of one of Hamlet's lines: "Words, words." Ante Gilic said that reading the theses he had come across formulations such as "should" and "must" in 300 sentences in 125 places. To whom are we addressing this? he asked. He added that in the theses, causes and consequences are often mixed up and proposals confused with analysis.

We must free ourselves from those who say "should" and "must" and, instead of them, elect to all positions in society those who are capable of offering concrete results. Because the problem, Gilic stressed, is obviously not a shortage of capable people, but in the criterion for selection whereby those who are obedient are favored "in the interests of continuity." Calling for the full democratization of the electoral procedure, with an obligation to have more than one candidate, both in party and in delegate elections, Gilic said that we must, finally, begin the process of the competition of qualities.

Deregulation, full respect for market laws, and democratization in all spheres of social life are the three most important calls from the environment I come from, Gilic continued. Stressing that the proposed document too should be seen in this light, he added that only by reducing priorities can we establish who is responsible for what and free ourselves of those who do not carry out that which has been agreed.

Unity within the LC implies that the leaderships have the duty to implement what the members and people as a whole ask them to. In other words, they have no right to be disunited over issues that people themselves are united about. We are not, Radmila Andjelkovic (Serbia) siad, for a monolithic LC but for unity. Without this, there will be no way out of the crisis or even survival. The leaderships cannot ask the rank and file to resolve the problems that they are given the mandate to settle. For, she stressed, it must not be forgotten that a mandate does not end only when it expires but also when one loses the confidence of others. [passage omitted]

The latest measures restricting personal incomes in the social sector will not, according to Joze Molan (Krsko) help to revive production or increase motivation for work. On the contrary, they will have a disincentive effect, and it is doubtful if it will be at all possible to implement them. He ended his discussion by posing the question: should we accept them [words indistinct] or should we side with those who will use force, that is, strikes to revoke them?

Questions of unity, which is inadequate, were dominant in the preparations for the LCY Conference. For this reason this conference should reply to the question of what unity should be built upon, taking into account the conditions of the present crisis, Milan Kucan (Slovenia) stressed. He recalled that unity cannot be ensured by revolutionary phrases, negative programs, criticism, and bans.

Recalling that the Slovene LC Conference called for socialism suited to people, Kucan stressed that the LCY Conference must open up prospects for an economic reform, greater democratization in decisionmaking, and cadre reconstruction of the LC. Advocating radical economic reforms, he said that they are not sufficient and that they must be accompanied by political reforms, first and foremost in the LC. It is precisely in this respect that the conference must have an irreplaceable role.

Dwelling once again on ensuring the necessary unity, while putting forth the stands of the Slovene LC conference, Kucan stressed that it must be built on economic success and democratization. Market economic activity, business independence of collectives, reaffirmation of the management function, and an integral market are the conditions that should make reforms possible, because, he said, reforms and a closed market do not go hand in hand.

The essence of reforms lies, in fact, in eliminating etatism and the domination of politics over economics, which means that the idea of self-management should have an economic basis. This is because our aim is a sound economy and satisfied people, Kucan thinks.

Full responsibility for one's own development is, in his words, the first prerequisite for the common development of Yugoslavia in which all our nations and nationalities are integrated. The SFRY is our common homeland. Orientation for Yugoslavia is, at the same time, orientation for socialism. We should not have to prove to anyone that we are for the SFRY, for national equality, brotherhood and unity, and for the consolidation of our country's defensive ability, Kucan said.

Milan Kucan called for the LC to become an initiator of greater respect for creativity because, as he put it, this country and the LC have the knowledge that should not be feared but that should be appreciated. The LC needs such creative knowledge because the LC does not possess all knowledge, Milan Kucan stressed. [passage omitted]

Aleksandar Filipovic from Zagreb, who represents the young people, insisted that genuine communication is lacking between the LC and the younger generation. Endless boring phrases are not the right way of establishing links to the generation in the grip of computer technology.

As a conscript soon to be demobilized, he used examples from army life to illustrate one of the rare optimistic stories of our time, trying to prove that the Yugoslav People's Army [YPA] alone provides the real picture of Yugoslavia's youth. Some of the battles lost on the ideological or educational front can be won in the YPA, Filopovic stressed, noting that there are many young people who become aware of brotherhood, unity, and comradeship only when they join the Army.

According to Filipovic, young people expect the LCY Conference to be realistic. This means, he explained, a Yugoslav democratic orientation in resolving all problems. Young people in the Army also expect the conference to adopt a clear stance on the attacks on the YPA, since the Army is not frightened of people's views.

Cadre policy is one of the causes of the crisis in our society, Pero Grubesic (Bosnia-Hercegovina) said. Some evidently still have not understood that self-management means not only democratic freedom but also responsibility for work. This is clear from the actions of certain people in high places who until recently were treacherously blaming the situation in the country on the FEC, the LCY, and other organs, thus hiding their own ignorance and incapability. Certain cadres in the economy also do not meet the demands of the moment, and proof of this lies in the failed investments, various malversations, and alienation of social resources. Because of this, workers ask, with justification: How long can we bear with this?

The call by people for a democratization of cadre policy is strong, Grubesic said, adding that the realization of this should be one of the LC's most important tasks. One cannot create a living by pushing pieces of paper around, and for this reason the people expect the conference to point specifically to a way of overcoming the great social problems. They also call for the leaderships in the future to work to a much greater extent at the level of the electoral base.

Grubesic then cited a series of proposals to supplement the stances of the conference among which, apart from the further democratization of cadre policy, particularly noteworthy is the call for the checking of the work of people in top positions at all levels before their mandate expires, and the abolition of collective responsibility. This, he said, in practice proves to be a screen for irresponsibility, and the rotation of only those cadres who had through their work proved themselves in practice.

The influence of the centers of power on the creation of cadre policy should be prevented, but so should criticisms if there is no proof that someone has not done his work properly. Finally, Grubesic stressed that a social agreement should be constructed on cadre policy so that elections with a choice of several candidates should, in the future, be an obligatory principle. [passage omitted]

There are among our ranks people who steal on a grand scale, people who have brought their work organizations to the verge of collapse, or who have pushed them into the abyss. And what have we, LC members, done except to call for differentiation? Virtually nothing, Verka Deari from Skopje said. For about the last 15 years, we have been drawing attention to this issue. Communists in the Skopje municipality of Cair demand that we stop preaching and start acting instead, she said. She stressed that the workers had lost faith not in the LC program but in the individuals who joined the LC for their personal benefit and who had unfortunately gained from it. [passage omitted]

It is of particular concern that no one is being called to account for the present difficult situation in the country. The impression thus created is that we are all to blame, although it is clear that the working class has least say in the decisionmaking process, Milenko Sjekloca said. The psychological crisis created by people's realization to the effect that private "links and connections" are more effective than regular communist behavior is also dangerous. We must therefore promptly expose negative phenomena in the economy and politics and establish the responsibility of those who even indirectly, through their idleness, made them possible.

What is important, Sjekloca stated, is that the leaderships function properly. Only then will the basic LC organization become motivated to work better. The rank and file is concerned for Yugoslavia's future, its unity, and the unity of the LC—this was borne out during the public debate that denounced the statist, nationalist, and other attempts to divide the country. Despite our belief that fascist and other similar slogans are a thing of the past, we have recently witnessed all kinds of fifth-columnist behavior. There are therefore calls for a resolute action against all those who foment nationalist or religious hatred.

Sjekloca stressed that united action by the LCY Central Committee is a prerequisite for overcoming the difficulties. He suggested that the top party forum should produce as soon as possible a specific program of action for pulling out of the crisis, with clearly stated deadlines and outlining those responsible for its implementation. The complex nature of the present situation calls for a new quality leadership, in other words, cadre changes at all levels starting from the LCY Central Committee, he concluded.

The group for the political system resumes its work tomorrow.

Socioeconomic Relations Group Meets

LD3005020488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1803 GMT 29 May 88

[Excerpts] Belgrade, 29 May (TANJUG)—At our meetings, we are constantly making entreaties, giving ever newer and newer advice and establishing guidelines, though we work as we always have—we do not change the situation, Josip Levacic (Cakovec) said. He was the first participant in the group that is considering the problems of socioeconomic relations. The group's first session was presided over by Kacusa Jasari.

Levacic spoke most of all about the difficult economic conditions in which construction organizations operate. The fact is, he said, that construction is very expensive and an impact on this is had by "non-construction" costs, which account for half of investment. Because of expensive construction, and recently also because work organizations and citizens have fewer and fewer funds, construction has halted and a string of organizations should be "extinguished" or reorientated, which is exceptionally difficult.

Dobri Djordjevic (Bujanovac), speaking about the problems of the undeveloped areas, stressed that it is high time that there be a change in the policy of stimulating this development. He pointed to the illogicality of the fact that Serbia, and even its undeveloped municipalities, countribute to the federal fund for the insufficiently developed republics and provinces—and hence cannot stimulate the development of its own undeveloped regions. Djordjevic proposed that a single policy be established in the Federation and that funds be channeled, independently of republican and provincial borders, to where they will have a developmental impact.

For Olivera Zec (Mostar), society's key question at this juncture is radical cadre renewal. Not underestimating social and other criteria in connection with the election of people to responsible posts, the most important thing, she said, is to take account of their competence and their expertise—something that until now has been ignored.

Precisely as a result of this, Zec proposed to the conference the following conclusion: Before the end of this year there should be a wholesale reexamination of the work and specialist competence of all responsible leaders in industry and in the chambers of economy and executive councils of sociopolitical communities at all levels. It is high time, she observed, that we cease constantly to change economic policy while incompetent leaders remain in responsible posts.

Calling for the passing of the Yugoslav energy policy and the strategy of development of this economic branch, Vladimir Rjabosapko from Tetovo pointed out that this was a prerequisite for a more certain way of obtaining cheaper energy for all consumers in the country. However, this requires previous overcoming of dominant regional interests and monopolies held by regional producers who from this position dictate to other the conditions of supply and prices. [passage omitted]

One of the most important prerequisites for a speedier return of the people who emigrated from Kosovo and for a higher level of employment is a more intensified and speedier economic development of the province, thought Osman Osmani from Srbica. It is essential in this respect to bear in mind that the income cannot be increased without higher productivity, reduction in production costs, and better exploitation of production capacities and domestic reserves, said Osmani.

Drawing attention to the untenability of the situation whereby agriculture is "changed" while maintaining the standard of living and the supply, even at the detriment of its own income, Nikola Abramovic from Nasice called for the conditions of the acquisition and distribution of income in agriculture to be equalized with the remaining branches of economy. This also presupposes a free price formation and, in the case of cattle breeding, the correction of serious price disparities beforehand. Abramovic also spoke against the imports that put domestic production into an unfavorable situation.

The fundamental question, thought Ljubisa Vagner from Majdanpek, is the realization of the ideopolitical unity of the LC on the key issues of economic and social reform. The announced solutions, he said, offer sufficient basis for finally breaking away from the mistake whereby everything would be "sorted out" by itself. It is necessary to reaffirm economic subjects and to place work organizations and enterprises into the focus of activity. [passage omitted]

Speaking about the measures and solutions currently undertaken in the economic policy, Josko Mandic noted that they are restrictive and not encouraging. Apart from this, frequent reference to intervention measures prevents working organizations from carrying out a well thought-out economic policy. [passage omitted]

Vjekoslav Jurisic from INA [petroleum industry] said that it was high time for work organizations to turn toward their own development, but this could be done successfully only if they rid themselves of the yoke of red tape. He gave as examples well thought-out and technologically modern parts of the system in which he worked and whose development is jeopardized by the state's continual interference in the conditions of economic activity. [passage omitted]

In the words of Goran Zlatkovic from Sipad-Pale, workers are embittered by the fact that, when it comes to income, it is no longer important how and how much one works but where and in which branch. This, he adds, as well as the fact that more than one-half of their income is set aside, reduces the workers' motivation. [passage omitted]

Having stressed as unacceptable the fact that the LCY Central Committee failed to assess some important events in society and individual LC republican organizations, Goran Zlatkovic warned in the end: The Central Committee bears utmost responsibility for the situation in society and the question now arises: Is it or is it not in its present structure capable of carrying out rapid necessary changes? If not, then a way out should be sought in convening an extraordinary LCY congress, he concluded. [passage omitted]

Calling for consistency in market orientation and for economic reform, Momir Pavlicevic stressed that the crisis cannot be overcome by administrative and restrictive measures. Not even the FEC measures, which are needed, are sufficient for the successful reform of the economic system. In the words of Pavlicevic, from Gosa work organization, the market conditions of economic activity require free price formation and import liberalization. The administrative price control ought to be retained only where there are no possibilities for the functioning of market mechanisms, though these are seriously disturbed, concluded Pavlicevic. [passage omitted]

Ivica Kavcic from Idrija called for the reaffirmation of labor and knowledge as essential prerequisites for the way out of crisis. It is also necessary to elaborate market mechanisms by exposing them to the broadest public and professional assessment. However, she denied the federal administration the right to decide about this, as it turned out that it lacked expertise for this.

Speaking in favor of the passing of macroeconomic policy, Kavcic thought that commercial banks should become independent and that the National Bank of Yugoslavia should withdraw from the commercial sphere. Economic policy measures must be aimed at increasing exports. This means that one must stand in the way of the practice whereby the exchange rate of the dinar is not corrected for a longer period of time in conditions of galloping inflation, as in this way producers are discouraged from exports.

Attempts of Communists over many years to improve the position of agriculture have not yet yielded results, considered Josa Rakuc, delegate from Ali Bunar. The private sector remains an important but unexploited potential. [passage omitted]

We can be certain that we will gain support for the reform in all parts of Yugoslavia [words indistinct] said Jurij Bajec, the last delegate in this evening's discussion, adding that such collectives can be found everywhere and that for this reason it is harmful, from the political point of view, to make a division to "successful" and "unsuccessful" republics: This would simply not be the truth, as I had an opportunity to see collectives from undeveloped parts, which operate successfully to this day, just as the reverse is possible—collectives in developed parts with poor business results. [passage omitted]

A test run for the reform will be our resolve with regard to confronting its opponents, the majority of whom can be found in the bureaucratized stratum of administration and self-managing interest communities, equally distributed from Triglav to Djevdjelija, noted Jurij Bajec, adding that the economic reform must at the same time be political and social and that, more than ever before, unity is needed in the country in order to realize it—this is Yugoslavia's number one task.

Development Group Deliberates

LD2905225288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1751 GMT 29 May 88

[Excerpts] Belgrade, 29 May (TANJUG)—It is in the LC's interest to prove that this political system is capable of overcoming the crisis and creating such relations in society in which everybody will live more creatively and freely. In this way it will also attract to its ranks young people as well, who are increasingly distancing themselves from the LC. This was pointed out by Slavko Sorsak, the first participant in a debate in the group for the development of the LC.

Around 50 delegates asked at the beginning to take part in the debate in this group.

Sorsak, a member of the Slovene LC Central Committee Presidium, devoted his speech to the relationship between the LC and young people. Pointing out that the young generation was very critical about Marxism, socialism, and the LC, he said that at the same time young generation is believing increasingly little in the leadership and its ability to solve the crisis.

Sorsak said that in Slovenia, as well as in Croatia, the interest of young people in the LC is seriously declining. Since 1985 the number of young people (up to 27 years of age) in the Slovene LC has been decreasing by 2 percent annually, so that last year they comprised only 10.1 percent of the membership. For the Slovene LC, which already has low numbers, it is a very serious question. The experience so far shows that some processes that first started in Slovenia later spread to the entire country, and therefore it is very important for the LC to prevent the aging of the organization. Young people should be attracted. This can be achieved not through directives but through an equitable dialogue on all questions that we are conducting with young people in Slovenia on civil society, legal state, the death penalty, and verbal delict. Repressive methods of dealing with individual problems would distance young people even more from the LC, Sorsak said. [passage omitted]

The LC must achieve a victory over itself, Sead Rastoder from Bar said. This is one of the last chances for a change and a proof that the LC is the vanguard of the Yugoslav working class. For years the conversation between the grassroots and the leaderships has resembled the talk of two deaf sides. Leaderships have no strength for a differentiation, so that the fought-for right of the membership to criticism is a weak consolation. Differences exist but there are no mechanisms that would protect us from national bureaucracies, because of which long lines of citizens from all parts of the coutnry are rushing toward the SFRY Assembly.

Milan Vukasovic, member of the Presidium of the working group, reacted to Rastoder's words, noting that the conference is not the last chance and that a change cannot be expected from it. It will be a success if we open a social process that leads to a way out of the crisis, Vukasovic said.

These words provoked murmurs and protests from delegates, and Radisa Gacic, also a member of the working group's Presidium, said that the response expressed by Vukasovic was his personal view and not the stand of this Presidium. Delegates greeted these words with applause.

A concept for a way out of the crisis should be based on class bases, Selim Vlasi, a delegate from Kosovska Kamenica said, adding that further political and national emancipation primarily depends on a class emancipation. [passage omitted]

A laborer from Nis, Jovan Djordjevic, said that his place is really not in the group since he is more interested in socioeconomic problems, but he did not have a chance to have a say in this. When we were preparing the conference, it was said that most delegates would be from among the ranks of workers. However, I can see that here there are as many as 84 directors and managers who are counted as workers from direct production.

According to Djordjevic, cadres are the central problem of this society, and therefore of the LC as well. "Keys" have locked many doors, as well as party doors. The party of the working class is increasingly becoming the party of the republics, provinces, and regions. Presently people are being elected because they are obedient, rather than capable. Some spend 2 decades in high offices without doing anything. And they get elected again, and with such ones we cannot get out of the crisis, Djordjevic stressed.

Speaking about the socioeconomic position of the working class, Djordjevic stressed that while workers are having difficulties making ends meet, in the country there are 200 aircraft owners, many have foreign currency accounts in Switzerland. Revolution is still going on, but it seems it is going on only for the country's working class, Djordjevic stressed.

Apart from expressing a demand for an urgent differentiation among the party ranks, Djordjevic also said that unity of action should be the criterion. If this is not achieved then an extraordinary LCY congress should be convened.

According to Petar Simic (Yugoslav People's Army), growing nationalism is paralyzing creative energy and preventing a way out from the labyrinth of verbalism. The LC should stop precisely here and note that nationalism represents the main danger for the integrity of Yugoslavia. Therefore it is necessary to pull away from the intoxicating dream of the solved national question and reaffirm the original Marxist approach to intranational relations. If this is not done and "new integration" ensured, Simic says, we shall be in a situation whereby all social values break against the cliff of nationalism. [passage omitted]

More than ever before the LC should stop precisely here and note that nationalism represents the main danger for the integrity of Yugoslavia. Therefore it is necessary to pull away from the intoxicating dream of the solved national question and reaffirm the original Marxist approach to intranational relations. If this is not done and "new integration" ensured, Simic says, we shall be in a situation whereby all social values break against the cliff of nationalism. [passage omitted]

More than ever before the LC should, Dusan Ivetic (Indjija) says, orientate itself toward a comprehensive application of the principle of democratic centralism, which should pervade all party actions. Speaking in favor of a "firm" interdependence between the democratization of relations in the LC and the development of self-management, Ivetic stressed that a development of unity is not an aim in itself, but a way to the aim, and that is a way out of the crisis.

Bogdan Pecotic, president of the Federation of Associations of national Liberation WAR Veterans, conveyed the demand expressed by veterans that the conference should present a fundamental turning point. What else should happen, he asked, so that it would be understood, in particular in leaderships, that we can no longer go on like this? The question also emerges, Pecotic says, of why the LC—even after 30 years—has not succeeded in abandoning a "commanding position" in favor of a leading social role, with which it would open broad scope for the activation of all creative potential. [passage omitted]

Snezana Velkovska (Sveti Nikole, Macedonia) believes that there is no other crisis apart from the spiritual and moral that are causing all other problems. Most of the responsibility for this rests on the LC, she said. She added that workers are most shocked by big scandals for which nobody is called to account in front of the "court of the party." The working class has a right to know when we will emerge from the crisis, and what should be sacrificed for this. Velkovska concluded that the conference should offer a clear answer to the question of whether the responsibility will finally be of primary importance, or whether we will continue work in the old way.

Party members, Dragoljub Radosavljevic (Veliko Gradiste) said, are afraid that the stands from the conference will have the same fate as those from the preceding party meetings. Both thesis and proposed bases for the stands of the conference, he believes, prove the intention to discuss again some questions that were already explained at the 13th LCY Congress. [passage omitted]

Communists from the Belgrade municipality of Savski Venac, according to delegate Risto Radovanovic, expect the conference to end hitherto fruitless discussions, yet they also fear that its stands will have the same fate as a debate on the conclusions of the 13th LCY Central Committee session. The expectations of the membership were betrayed then, the prestige of the LCY was undermined, and it was shown that in our party there are still people who are immune. [passage omitted]

Sonja Lokar spoke of a minority and majority in the LC, stressing that every majority had been a minority at the beginning, even Tito's majority. Noting the importance of discussing this question, she said that at present in socialist societies huge creative potentials are suppressed. [passage omitted]

Continuing her discussion, Danilo Markovic said that the relation between a minority and majority in the LC is one of the basic questions. Democratic centralsim is one

of the essential heritages of the communist movement, and it does not insult the dignity of a minority, but this does not mean that a minority should be allowed to "terrorize." He devoted most of his debate to ideo-theoretical work in the LC, which he said is neglected and insufficiently developed. According to him, social sciences are not sufficiently involved, and that is why we still do not know what self-management in delay is.

In this context, Radovanovic said that there is no socialism without self-management and social property. We have not found a measure of its efficiency, but this does not mean that we should allow it to be despised.

Those about whom the press wrote in negative terms should leave the Central Committee and its Presidium as soon as possible, as well as those who carry republican or provincial colors, Drago Subotic, delegate from Novo Sarajevo, stressed.

According to a proposal by Subotic, at the next congress, extraordinary or regular, everything that makes the LCY a coalition of eight parties should be left out of the statute. Also, we should introduce the same membership fee for the whole LCY and reexamine the justification for the existence of seven central committees. [passage omitted]

I was in favour of plenary work, but it is better like this in three groups than in six plus two more, Nikola Mirkov, Belgrade delegate, said.

Mirkov sess the causes of many of our difficulties in a strong bureaucratic power. It draws its strength from the crisis and that is why it breaks everything that could be shared. [passage omitted]

I cannot accept, Ekrem Forto from Sarajevo stressed, endless swearing to principled orientations, when in social practice there are no changes for the better. In interpretations of many people, democratic centralism often gets an emphasis on the first or the second word, while brotherhood and unity, unfortunately are becoming a demagogic slogan for national oligarchies. [passage omitted]

Svetolik Avramov from Novi Sad sees the main cause of the lack of unity in economic difficulties. According to him there is no way out of the crisis without respecting legal order in all the parts of the country in the same way, or without the state ceasing to interfere in the economic trends. [passage omitted]

Milos Bajcetic (Yugoslav People's Army) says that the erosion of moral is threatening the fundamental social values and leading to the thesis about the weakening of motivation for the defense of the country.

This conference, he believes, should present the final answer of Yugoslav Communists on the prospects for a way out of the crisis. [passage omitted]

Concluding today's debate in the group for the development of the LC, in which 20 delegates took part, the chair announced the resumption of work for tomorrow at 0900.

First Day Proceedings End

LD2905210188 Belgrade TANJUG Domestic Service in Serbo-Croatian 2030 GMT 29 May 88

[Text] Belgrade, 29 May (TANJUG)—The LCY Conference has ended today's work. A total of 53 delegates spoke in 3 groups: for socioeconomic relations; for the political system, and for the development of the LC.

The first discussions undoubtedly confirmed, with a large measure of criticism, the orientation of Communists for fundamental economic and political reforms, the further democratization of society, and cadre renewal in the party. It was stressed that these are the most important preconditions for a rapid way out of the crisis and the strengthening of socialist self-management. The conference continues its work at 0900 tomorrow.

LCY Constitutional Conference Enters 2d Day

Work Resumes 30 May

LD3005081588 Belgrade TANJUG Domestic Service in Serbo-Croatian 0714 GMT 30 May 88

[Text] Belgrade, 30 May (TANJUG)—The LCY Conference resumed its work this morning in groups dealing with socioeconomic relations, the political system, and the development of the LCY.

During a 3-hour period yesterday afternoon, over 50 delegates spoke in all three groups, and it is certain that every other delegate will speak at the first LCY Conference. The unequivocable fact that emerges from yesterday's discussions is that Communists are greatly dissatisfied with the state of affairs in both our society and in their own ranks. At the beginning of the proceedings, there was evidence of vigorous demands for deep-seated changes. As Bosko Krunic, president of the LCY Central Committee Presidium said yesterday, these reforms must be resolute and immediate.

Delegates Confirm Krunic Report

LD3005133588 Belgrade TANJUG in English 1244 GMT 30 May 88

[Text] Belgrade, May 30 (TANJUG)—The conference of the League of Communists of Yugoslavia (LCY) on the strengthening of the leading ideo-political role, unity and responsibility of the League of Communists in the struggle for overcoming the socio-economic crisis, which opened here on Sunday, resumed work today.

The assessment from the report by Yugoslav party leader Bosko Krunic, who said that it was impossible to get out of the longstanding crisis in Yugoslavia without profound and radical changes, found confirmation in the views of delegates who spoke in the debate lasting until late last night.

Unless we carry through a complete social reform by next autumn, it will be necessary to call a special congress. The leadership will either carry out the will of the people, or it will be replaced in a democratic and civilized way, Serbian party leader Slobodan Milosevic said. Unless we carry out the reform at once, we will run up our debt bill with more billions of dollars with which we will pay the cost of our indecision and disunity, he added.

The debate so far unambiguously reflects the great dissatisfaction of Communists with the prevailing situation in society and in their own ranks. The demands for profound reforms—to be introduced, as Krunic put it yesterday, resolutely and at once—were evident right from the beginning of the conference, the most important meeting of Yugoslav Communists between two congresses.

The essential requirement for this turnaround is unity in the Yugoslav party, and there is not enough of it at present. In the assessment of Slovene party leader Milan Kucan, this is the most topical question now, but this unity cannot be built by revolutionary phrases, negative criticism and anathemas because these only create a semblance of unity.

Kucan saw a way out of the crisis and a basis of unity in seeking the common programs of social reform, aimed at a sound economy and satisfied people. The starting points for this should be the conclusions from the preceding 13th Congress of the LCY, for without it, the call for differentiation within the League of Communists would simply be a political settling of accounts with those who think differently.

Delegates conveyed the opinion of members on the necessity of overcoming federalization in the party and the rigid national quotas for election to leading posts. Professional skill and ability of the leading cadres and personnel should be the primary criteria for their election.

Economic and political changes demand a review of the LCY organization's position in society, but also the severance of its harmful links with the executive power, a break with the domination of politics over the economy.

This domination brought Yugoslavia into its present deep crisis for which the League of Communists is also responsible. As noted in the debate, the expected turn, the development of a spiritually and materially richer socialist society obviously require a practical, and not only verbal reorientation toward the market economy.

No Comment Noted on FEC Measures

LD3005104288 Belgrade TANJUG Domestic Service in Serbo-Croatian 0932 GMT 30 May 88

[Text] Belgrade, 30 May 88 (TANJUG)—Out of a total of 90 delegates who, by 1000 today, had spoken at the LCY Conference, not one has commented on the latest FEC measures, and not one has mentioned the theses forwarded by Mikulic's commission for reform of the political system.

The reason for this is probably the fact that the delegates had already written their discussion contributions for this "last chance" conference, and are delivering set speeches. This is why there have been little polemics. Delegates whose statements were not been written in advance were few in number. For instance, in the group dealing with socioeconomic relations, Salih Kehic from Gracanica, with no prepared notes, was able to draw the delegates' attention to the accumulated problems in agriculture.

Political System Group Meets Again

LD3005233088 Belgrade TANJUG Domestic Service in Serbo-Croatian 0846 GMT 30 May 88

[Excerpts] Belgrade, 30 May (TANJUG)—We should not be dissatisfied with the development of the country's defense system in the period after the 13th congress. At the same time, we must however admit that more could have been achieved, that is, that the crisis in society has had its effects on the defense system as well. However, Stevan Mirkovic (Yugoslav People's Army [YPA]), the first to take the floor in the debate in the group for the political system, stressed that objective difficulties must not be used as a pretext for idleness, since the battle to have proper defense will be won only through developing self-management and consolidating Yugoslavia's international position.

In view of the fact that the military-political situation, both internationally and domestic, has largely changed since the last congress of Yugoslav Communists, a unanimous stand on these changes within the LC is of exceptional importance, according to Mirkovic. Unrealistic assessments lead to passivity if too rosy, and to apathy if too sinister, he said. Objectivity is all the more important in light of the increasingly frequently expressed views, which tend to minimize the potential dangers facing our country.

A typical example are the exaggerations that have accompanied the signing of the accord to remove Euromissiles, which has deluded people into thinking that the danger of war has thus been removed in general. It should not, however, be forgotten that this is just one step in the process of detente, that bloc interests have not

disappeared, nor have the threats looming over small and nonaligned countries. It is also unrealistic to think that there can be no war in the present conditions, or that the ideas of external threats to Yugoslavia are allegedly fabricated. These are all views directed against the SFRY's defense system, especially in view of the fact that both in Europe and at our borders conventional weapons are accumulating.

Noting that Yugoslavia's overall defense capability is closely linked with society's capacity to satisfy people's aspirations, Mirkovic said that the Communists in the YPA expect the conference to contribute to the efforts to overcome divisions in the country, enhance unanimity within the LCY over the development issues, and to indicate the directions of raising the standard of living. Mirkovic stressed that Yugoslavia is among the countries with the shortest military service and lowest military expenditure, and that the country can rest assured that the funds are being used in the most economical way.

Yugoslavia will continue to update, modernize, and equip its Armed Forces, he added. The YPA will continue to be a cohesive force and a guarantor of the country's independence, he said. We must not forget that attempts at destroying the YPA's unity are directed at destroying the unity of Yugoslavia as a whole. In its capacity as a joint Armed Force of all our nations and nationalities, the YPA has reformed all its tasks since the 13th LCY Congress, Mirkovic said.

Having stressed that the prolonged crisis has brought into question the issue of the membership's confidence in the LC leaderships, Milos Milosevski (Skopje) said that the privileges that not infrequently accompany the status within the LC are having a discouraging effect on people and are weakening the communist movement in our country. It is impossible to emerge from the crisis without close links between the LC and young people, he added, stressing that the party will be held responsible for allowing young people to be left outside the decision-making process in society. In conclusion, Milosevski called for cadre changes in the managing and leading structures both in the economy and politics. [passage omitted]

Hasan Dervisevic (Gradacac) asked why, although the conditions for it were fulfilled, the LCY Central Committee decided to convene a conference and not an extraordinary congress. He insisted that the top party body should be given the task of analyzing by the year end the way in which the conclusions to be adopted by the conference have been implemented. If it establishes that these are not being implemented, it should set in motion a procedure to establish who is accountable for it and convene an extraordinary congress. [passage omitted]

We expect this conference to provide answers to all outstanding issues, Mitko Monevski from Skopje said, warning that any delay would lead to abyss and darkness.

All that is happening in Yugoslavia today—the counterrevolution in Kosovo, the economic counterrevolution committed not only by Agrokomerc but by other megalomaniac and bad investments, the attacks on the YPA, calls for a pluralist system—cannot be interpreted as anything else but attempts at destroying the LC, Monevski said. The seed of doubt in the LC's capability to lead the country out of the crisis has, in his view, been sown, and it depends on the LC members whether or not it will be allowed to grow.

It is absurd to say that the interests of Macedonia's and Slovenia's working class differ. We cannot therefore allow those who claim so to continue to divide us, Monevski said.

We do not need an extraordinary congress, he said, since the conference can achieve all our objectives. The central committees should, however, be given the task of identifying, within a certain period of time, those who fail to implement the declared standpoints and of "refreshing" of the LC.

This conference should be seen as a train station where a train is being assembled to pull us out of the crisis with the capable ones alone on board. The hangers-on will not be allowed on the train, and we must not go to the 14th congress with them aboard.

In the view of Mirko Raca (Banjaluka), in the aftermath of the 14th LCY Congress the LC leaderships failed to take advantage of the membership's mood and to translate into practice the calls for changes. The members want to know why there was a delay in planning the course of ideopolitical activity in implementing the congress resolutions. He seems to know the answer: Either there was no knowledge of how to do it, or the will to do it was lacking. In both cases, however, sanctions should have been taken as both the statutes and the procedure rules provide the criteria for assessing the work of each individual member in the LCY organs. [passage omitted]

The time has come for the LCY to start adopting shorter documents that state clearly what the problems are, what is to be done and against whom, Bogdan Trifunovic (Serbia) stressed. He recommended changes and amendments to the proposed standpoints on some of the most important problems and tasks facing the LCY.

With reference to the constitutional changes, he said that both the public debate and the views expressed by the republican and provincial [words indistinct] demonstrated that there are crucial differences on a number of issues. We should adopt the proposed standpoints on the duty of the LCY and its Central Committee to make a contribution to the process of democratic harmonization

of stands. We must also comply with the call to prepare and carry out the constitutional changes already underway. [sentence as received] [passage omitted]

As things stand at present in our Yugoslav federal community, if we want it to continue to be stable, with equality for all and progressive, changes cannot be imposed on anyone. However, neither can we maintain the status quo without damaging the entire community. With mutual understanding and a genuine respect for differing interests and views, we must speed up the process of reaching common Yugoslav solutions, especially in the present crisis situation.

Trifunovic proposed a change in the standpoints by which the LCY should make efforts to ensure that each individual be allowed to exercise his right to express his views, aspirations, and interests, including the political ones, freely and on the basis of and within socialist self-managing democracy.

However, the exceptionally important steps toward democratization that we are to make will not and cannot imply a haphazard way of opening up the road to power to those forces who are full of democracy but find it hard to say the three words: socialism, self-management, and Yugoslavia, Trifunovic noted. [passage omitted]

Trifunovic also proposed a change in the standpoints, whereby the sentence should be dropped from the standpoints that refers to existing unanimity on all issues raised by the SFRY Presidency's proposal on the constitutional position of the SR of Serbia and the socialist autonomous provinces and to the existing accord between the relevant republican and provincial organs on all issues on the formulation of the proposal to embark on changes in the Constitution of the SR of Serbia.

For it is obvious, judging by the views held by the Serbian Assembly and those expressed during the public debate, full unanimity is yet to be achieved on the first issue in the future work on preparing the proposed amendments. As for the Constitution of the SR of Serbia, an agreement has been achieved on [passage indistinct] of the republics and provinces about some of the important issues in [words indistinct] Trifunovic said, adding that it is of great importance that all problems concerning the realization of Serbia's position be dealt with promptly and be resolved by the appropriate changes in the Constitution during the current year, on the basis of the resolutions of the 13th LCY Congress.

Dobrivoje Vidic (LCY Central Committee) devoted his remarks to the proposals to amend the conference's standpoints. In his view, we should use legal means to prevent statist interference in the economy and the business policy of basic organizations of associated labor and use the LC statute to stop LC organs and organizations in associated labor from assuming a commanding role. The president of the LCY Central Committee Presidium and the president of the SFRY Presidency should be elected to a 4-year mandate with the possibility of one extension. A chamber of associated labor should be introduced into the SFRY Assembly. [passage omitted]

In Vidic's view, the republican and provincial presidencies should be abolished. He is convinced that to transfer their functions to the assemblies and other organs would strengthen the country's unity. The amendments to the SFRY Constitution contain too many provisions that regulate the running of the economy, he added, and it is thus necessary for the country's most important document to contain only the most basic provisions. In view of the fact that the public is calling for the law on associated labor to be replaced by a law on company management, these calls should also be stated more clearly in the standpoints. [passage omitted]

Time has demonstrated that the situation cannot be changed unless contradictions between statism and self-management are resolved. They however cannot be overcome without reforms in the political and economic system aimed at eliminating statism and developing socialist commodity production, Vidoje Zarkovic (LCY Central Committee) stressed. We are faced with serious processes that call for changes in the existing positions and habits and, as such, inevitably encounter the resistance of those whose positions are changing and even of sections of the working class.

Having stressed that the LC's most important task is to define specifically the ways and means of reforms, Zarkovic said that the reforms could not have been implemented earlier primarily because of the lack of unity in LC ranks. The party's weakness lies in the fact that it needs the pressure of a crisis to start looking for ways out of the difficulties instead of acting before they arise, he noted.

The LCY Conference is expected to reaffirm the role of the LC which, in its present state, is not up to the historic challenges facing it. I, however, believe that this is possible, providing we lead the battle for the changes in the economic and political system which, as a result, will also change the LC itself.

The party must ensure that people accept the reforms, because their implementation will, especially at the beginning, lead to more social problems and possibly to upheavals. It is thus of crucial importance that the LC support reform. To do this it needs to know what the specific measures are as soon as possible. [passage omitted]

Liberating economic laws, strengthening the role of delegate assemblies, and intensifying the responsibility of the republics and provinces, according to Ciril Ribicic (Slovenia), are the key orientations of institutional changes, since without essential changes in relations between politics and the economy, between the state

administering and the independence of the economic activity, between the statist distribution of income and self-managing integration on the basis of economic logic it is impossible to achieve more efficient economic activity or speedier social development.

I am convinced, Ribicic stressed, that it is impossible to succeed in overcoming the present mutual disagreements, divisions, and polarizations and establishing mutual confidence in the Federation, in which the principle will be "all for one, one for all," if we do not tighten the responsibility of the republics and provinces for their own destiny and joint Yugoslav development. It is primarily a matter of responsibility for a more consistent implementation of federal regulations and other decisions, for the realization of a common Yugoslav market, for more efficient mutual decisionmaking, more stable financing of the Federation, and the YPA as the Armed Forces of all nations and nationalities, and for a most qualified cadre composition of federal organs. [passage omitted]

Nobody is afraid of strengthening the federation, as a guarantor of equality, real security of economic subjects, respect for the common Yugoslav market. However, it is justified to be afraid of maintaining and strengthening such a role of the federal administration that would mean an alienated distribution of surplus value.

Presently as well, Ribicic believes, equally fateful and unacceptable are not only a lack of the feeling for the realization of common interests, but also an attempt to impose decisions at the federal level, not only isolation within the republican and provincial borders but also support for outvoting essential decisions at the federal level.

It would be bad if we were to see danger only in autarchy and separatism and not in federal centralism and unitarism as well. A possible tragic end of each federation is not only its disintegration, ruin, but also an introduction of a unitarist system which under Yugoslav conditions can only mean the first step toward such exacerbation and conflicts that lead to a disintegration of the common state.

It is bad, Ribic said, that in a part of the country we are warning only against the danger of unitarism, while in the other and in the center we are warning only against the dangers of separatism. [transmission interrupted, TANJUG part 12 not received]

According to Dimitrije Popovic (Vojvodina LC), many people are asking why it was more attractive to be in the party in the days when being a member meant one had to rot in prisons and when during the war one could be sent to death while carrying out a task. The answer lies in an attractive aim and program and mutual loyalty between the membership and leadership.

Can the LC not do more for the realization of the idea that everybody should be rewarded according to their work, Popovic asked, convinced that the LC's orientation toward such an aim would attract many people and raise the LC's prestige. [passage omitted]

We must first of all tell the rascals among our ranks that they will not cost us our heads, Mirjana Jakelic said on behalf of the Communists from Zagreb. She believes that it is necessary to convene an extraordinary LCY congress.

Saying that we are acting as if the Constitution, the LCY program and statute, and other documents are invalid, she asked how long we will waste our strength in vain and wait to be saved from somebody and something. Why are the endorsed orientations not being implemented and is it not a weakness of the leadership? [passage omitted]

It is not accidental that amendment solutions on relations in the Federation are the subject of exceptionally great interest in all our meetings because the general assessment is that they will not in the least neutralize strong processes of disintegration and confederation in our community, they will not create conditions for the overcoming of divisions in the economy, culture, intranational relations, Slavica Saban (Paracin) said. To realize the prerequisites for such essential demands and orientations, such as the unity of the Yugoslav market, strengthening the influence of working people and associate labor on decisionmaking in the federation, a more efficient system of decisionmaking in the Federation, and more efficient realization of the federal laws, it is necessary to have different solutions.

Demands expressed in the public debate that aspire toward ensuring a more complete unity of the country cannot, under any conditions, be declared unitarist and centralist. According to her, they are the product of the historical aspirations of our nations and nationalities to live in one unified community. [passage omitted]

Advocating a series of current proposed changes in the economic and political system, Cedo Volas (LCY Statutory Commission) said that the basic line should be "politics in the service of the economy," and not the other way round, as has often been the case so far. Apart from determining the owner of social property (this could be a work organization), Volas believes that it is equally significant also to establish precise measures for its protection. He also believes that a chamber of associated labor should be introduced into the SFRY Assembly and that sociopolitical chambers should be abolished in other sociopolitical organizations, since practice has already shown that the "noninstitutional" activity of the LC and other subjective forces will not destabilize the system. [passage omitted]

We need a society in which everybody thinks and works and not one in which some people think while others decide whether or not they should work, Borut Suklje (Slovenia) said, noting that an orientation toward the activity of market laws, apart from an economic orientation also requires full political democracy. According to him, it is possible to establish a political democracy only if the LC, in seeking a way out of the crisis, relies on all other progressive forces that are oriented toward self-management and socialism in society and whose action will be coordinated by the Socialist Alliance.

Suklje then commented on some of the amendments to the SFRY Constitution, which refer to the educational system and stressed that everything that could be put on united bases had already been done. Opposing a legal regulating of individual solutions, which would be valid for all the country, he stressed that "uniformity in educational system leads more to breaking unity" than developing it.

According to Matija Vaslovic (LCY Central Committee), the conference and the LC should adopt clear stands on ideological controversies surrounding constitutional changes.

Some ideas that are emerging in a public debate on the amendments indicate a breakthrough of antisocialist forces, but according to Vaslovic the problem lies primarily in the fact that because of insufficient opposition from the LC such ideas are spreading.

Vaslovic said that the unitarist concept of the order of the SR of Serbia, or a "campaign against autonomous provinces," is provoking dissatisfaction and uneasiness in Vojvodina, which only deepens divisions and confrontations.

Ksenija Mihel (Cacak) first of all enumerated the well-known problems of the position and financing of the health service, saying that various reorganizations and integrations that health workers see no need for are constantly being imposed on the health service. On the other hand, for years health workers have been demanding a reorganization of self-managing communities of interest which, however, reamain unchanged.

According to Ksenija Mihel, the basis for dealing with problems of any activity is a high generally valid morale for whose rehabilitation responsibility rests with the LCY. She believes that this time and this meeting should show our strength to change what is unexemplary among us, as well as what is not allowed, and that to which we have no right. And we have no nor did we have any right to violate that pure revolutionary moral, the image of the party that is in the essence of society we longed for, which is called humane, civilized, socialist society. [passage omitted]

Stevo Strovjanovski from Titov Veles believes that a cause of the crisis should, to the greatest measure, be sought in the LC, itself in crisis. A disunited and inefficient LC is losing people's confidence and can only regain it if it acts as a vanguard of the working class.

Apart from this it is also necessary to abandon the forum-type of work, overcome divisions between leaderships and memberships and tighten responsibility, which is still mentioned without reference to anybody's name and surname, Strovjanovski said.

Muhamed Ustaibo from Pristina mentioned examples that indicate the unsatisfactory position of Turks in Kosovo. The number of Turks there is declining. As he said, they are also emigrating and going to Turkey.

Because of a reduced number of Turks, schools are closing down in several places in Kosovo. They are having difficulties in finding employment since, according to Ustaibo, percentage is taken into account. In places where Turks live, constitutional regulations about language are not respected.

All this, Ustaibo says, can be dealt with, and since it can be done today, why leave it for tomorrow? However, more political will is needed for this, primarily among Albanians who are the majority in the province.

Ustaibo said that there are no Turks on cadre lists in Pristina, as there are no Turks in positions, which was not the case earlier.

We must clearly say that we do not allow divisions among the working class, since its interests are unified, Pavic Cabarkapa from Belgrade said. He believes that a way out of the crisis is possible only with better organized and independent associated labor. [passage omitted]

The conference is expected to create conditions for a change toward a way out of the crisis. This is possible despite numerous difficulties that means that there is no room for pessimism and lamentations, Stanislav Nikolic (Vlasotince) believes. In order to overcome the crisis through creative and responsible work, the most important thing is, first of all, to strengthen unity and responsibility, which are needed more than ever. This is also demanded by the working class which, according to Nikolic, wishes to be a Yugoslav working class, rather than belonging to a basic organization of associated labor, municipality, republic, or province. The working class is also supporting the elimination of all the causes of unjust amassing of wealth and social stratification.

Dusko Sareski (Gostivar) also insisted on ensuring unity in finding ways for a way out of the crisis. He believes that not even an extraordinary congress will help, unless conditions are immediately created for a transfer from

words to action. Therefore it is the obligation of Communists in the highest party, state and other organs to fight for Yugoslav programs for overcoming the crisis and not for national economies.

A more efficient economic and social development is not possible without a better and less voluminous legal system, Francka Strmole (Slovenia) stressed and called for democratization in all spheres, from the economy to foreign policy. The number of laws should be especially reduced in the economy where they would be replaced by the economic sanctions of the market. An extensive revision of the criminal law is also needed in order to make it less repressive. It should, in fact, safeguard society's fundamental values. In Francka Strmole's view, only a section of and not the entire Article 133 of the Criminal Law should be abolished, as there must be provisions for countering hostile propaganda aimed at destroying our society by force.

However, repression cannot be a means for preventing people from expressing their views in public. Contrary views should be defeated by public arguments as was done in Slovenia with the denunciation of the attacks on the JNA [Yugoslav Peoples Army]. Francka Strmole also called for the issue of death sentence to be reexamined, i.e for the reduction in the number of crimes which entail death sentence noting that Slovenia is seriously considering abolishing it.

Strmole stressed that the LC must resolutely oppose pressures on the judiciary which must remain autonomous and independent. She also proposed that the conference should launch an initiative to have a new constitution prepared which will be in line with a modern socialist democratic society. In her view, the proposed constitutional amendments do not provide for the reduction in the volume of norms in society.

The working people ask, with good reason, what has happened to the great ideals of our revolution, Petar Gracanin (Serbia) noted adding that these could be realized through the envisaged economic and social reforms. We must reaffirm our society's fundamental principles on which the LC itself has based its policy. For this we need unity. According to him, we sank into the crisis when we became disunited. The lack of unity is, in his view, the main reason behind the slow pace at which we are emerging from the crisis.

There is no reason to fear that unity will necessarily lead to unitarism or centralism. However, any attempts of that kind should be countered. We need and efficient state, Gracanin stressed noting that the decision-making system should not lead to various blockades.

Gracanin went on to say that although the situation in Kosovo continued to be difficult, the action itself was now more organized. However, he called for more determination and efficency in efforts to halt the emigration of Serbs and Montenegrins from the province. Serbia's Central Committee and the Presidency as well as Kosovo's Provincial Committee and its Presidency have been discharging their duties concerning the province. A speedier resolution of these problems is in the interests of the republic, the provinces, and of all the nations and nationalities living in the SR of Serbia, Gracanin stressed saying that we must oppose all attempts by nationalists to impose their own recipes for resolving the problems, i.e. hatred and divisions.

Izet Okacic (Banovici), SR of Bosnia-Hercegovina, and Ivo Karamarko (LCY CC) spoke, echoing the demands of the LC members on the need to establish who is responsible for hte situation in the country and to carry out a cadre renewal at all levels. We cannot expect to be pulled out of the crisis by those who brought it upon us, Okacic stressed. By the same token those who have blotted their copies are not going to insist on differentation. Drawing attention to the growing dissatisfaction among the people with the way strikes have been dealt with, he stressed that someone has to be called to account for that as well since all "tense situations" are a result of unsettled self-managing relations and are an evidence that the workers are not in the control of the surplus of labor. [passage omitted]

Generalized calls for differentation and talks about attacks on the federalization in the LCY will lead us nowhere, Joze Smole (Slovenia) said, stressing that we are all for the unity of the LC. The key question, therefore, is on which basis and substance should it be developed. The answer is—certainly not by proceeding from the unitarist or etatist but from the federal and self-management-based concept. [passage omitted]

Smole went on to identify two prerequisites for pulling out of the crisis: a single Yugoslav market and the development of direct, socialist, self-managing democracy. In practice, though not in principle, these two issues have given rise to many differing views. Market economy cannot be created by enforcing federal laws but by deregulation and unrestrained activity of economic subjects. Only then will we stop talking about who exploits whom since everybody's position will become much clearer.

In reference to democracy, he went on to say that its consolidation entails a transformation of the LC which must behave not like a party in power but more like a leading ideological force within the SAWP. Referring to the LC's stance on religion and believers, Smole stressed that the views which saw religion as something deviant were a special form of sectarianism which prevented the party from communicating with a large number of citizens.

Concluding his contribution to the discussion, he noted that the support for minority view does not entail support for factions within the LCY. Both in society and the LC the minority has always been a "locomotive force

of development" and because of its creative potential it is good to have a minority. In proportion to the population the LC itself is a leading minority, he noted. [passage omitted]

Milorad Mrkajic from Bor started by saying that the preparations for the conference went on for an inadmissably long time and that neither the proposed standpoints for the conference nor the introductory report by the President of the LCY Central Committee Presidium reflected the seriousness of the present situation.

In addition to activating all creative forces it is necessary, in Mrkajic's view, to reaffirm Yugoslav socialist patriotism, to revitalize the idea of Yugoslavism and to strengthen the legal state. Arbitrariness in identifying unitarism and centralism give rise to various blockades of the system. [passage omitted]

Mrkajic recommended, among other things, that the Central Committee take it upon itself to convene an extraordinary congress of the LCY if it proves incapable of implementing the conference's standpoints. A new LCY leadership would be elected at the congress. [passage omitted]

To change the existing situation it is necessary that we change our own behavior by heightening the responsibility which was also referred to in the introductory report which, however, failed to state who was responsible for what in the LC, said Branko Crvenkovski, a student from Skopje. To ensure "Peace in the house" and save one's own skin the issue of responsibility has been avoided. Both the LCY Central Committee and the republican and provincial committees have missed an opportunity to carry out differentiation, at least as regards people's abilities. In this way they have lost the right to call others to account.

He cited a number of examples to illustrate his points: He said that after the 1981 demonstrations in Kosovo the Federal Secretary for Internal Affairs argued that he did not know what had been happening in Kosovo. The republican and federal officials from Bosnia-Hercegovina claim that they never knew what was happening in Agrokomerc and that they were deceived. Perhaps there are no grounds for criminal proceedings against these people, but these two cases definitely have something to do with the ability of these officials to carry out their duties, Crvenkovski noted. He suggested that the conference should oblige the LCY Central Committee to state if it considers itself capable of carrying out the conference's conclusions given democratic centralism and other powers. In his view, the LC has no eternal right to confidence. It must constantly regain and reaffirm it by producing results. [passage omitted]

Insisting that we are being slow in accepting that Kosovo's problems are everybody's problems, Nikolic said that the standpoints adopted at the ninth LCY Central Committee session and the Yugoslav program on Kosovo had not been consistently implemented. Serbia has been fulfilling all the obligations from the program, while Slovenia has set a good example of how to pool labor and resources. Others have done very little, especially the organs in the Federation. He went on to ask the LCY Central Committee to assess, at one of its future sessions, to which extent its own conclusions on Kosovo have been implemented.

If by September there is no progress in resolving the issues of the economic and constitutional reform and togetherness in Serbia and in implementing the conclusions on Kosovo, an extraordinary party congress should be convened to elect new leadership, Nikolic said. [passage omitted]

Isak Ahmeti noted that following the ninth LCY Central Committee plenary session, some positive results had been achieved in stabilizing the situation in the province. He went on to say that the political-security situation in the province was complex. Although they are not acting in an organized and overt way, Albanian nationalists are trying to create, in a treacherous and underhand way, an atmosphere of fear and insecurity among the Serbs and Montenegrins.

He went on to note a growing number of cases of activity from positions or Serbian and Montenegrin nationalism which are threatening to foment even more serious conflicts saying that the solutions to the problems of Kosovo were to be found in the consistent implementation of the conclusions of the ninth session and not in restricting the province's rights. Saying that there has been no progress in the implementation of the program on Kosovo, he went on to suggest that the LCY Central Committee should analyze the issue at one of its coming sessions.

Referring to the recent petition by the Serbs and Montenegrins from Kosovo, Ahmeti stressed that he was personally convinced that the petition had been signed by 50,000 people as claimed but by "a group of people dissatisfied with the situation in Kosovo". I am convinced that the petition contains views contrary to the LCY policy. [passage omitted]

Snaije Veseli (member of the LCY CC) stresses the need for discussing demographic trends in order to facilitate the introduction of population policy and also a counter various political manipulations in this sphere. This sensitive topic should not be discussed within narrow circles or from nationality blurred viewpoints. Priority should be given to science and the class approach. [passage omitted]

We must be up to the task we have as delegates to the conference. Otherwise we will have to face an extraordinary congress which, I am convinced would not renew the mandate of many of those in the leading positions, Gojko Andjelic (Serbia) stressed. We are in favor of pluralism of interests and differences in views during the

process of formulation standpoints, he said, but we are against pluralism in the ways they are implemented. We are not favoring the levelling of income but are for equal rights, freedoms, and security for all, regardless of which part of the country they come from.

Having stressed that the system of management in both the economy and politics was in a crisis, Andjelic went on to say that the system should be demystified in order to specifically and properly apply the principle of responsibility. In his view, there can be no delay in reexamining the practice of collective responsibility which often serves to disguise lack of expertise and suspicious moral qualities. Andjelic suggested that soon after the conference the LCY Central Committee should carry out "reconstruction" in its Presidentium and called for the reaffirmation of the principle of democratic centralism.

In reference to Kosovo, he noted that we must not let the events in the province be judged by history, since many of those responsible for the present situation continue to be active and are well-known. The process of creating an Albanian state on Yugoslav territory has been encouraged for a long time. It must be stopped and dismantled, Andjelic concluded. [passage omitted]

We are advocating that Serbia be given the same status as other republics. No one, Jovanovic stressed wants to reduce the provinces to cultural autonomous regions since they would have their own economic and other functions. These issues should be clarified and must not be used by the leaderships to make futile compromises. We are therefore calling on the conference to assume a clearly defined stand on Serbia's position to be incorporated into constitutional amendments. [passage omitted]

The main topic of the conference is how to regain the confidence in the party and establish unity. However, we started the conference disunited, said Vojislav Miric from the Stari Grad Municipal LC Organization in Belgrade.

The differences over the method of the work, I.E. whether the conference should work in commissions or plenary sessions are, in his view, the result of differing approaches caused by the fact that some came to the conference with a clear idea about the views of their grass-roots while others's ideas were vague. The republics and provinces have this statutory right and the membership is calling for a single LCY statute, Miric said.

As the standpoints of the communists in the Stari Grad Municipality are identical with those of the majority of the delegates, Miric, while supporting Milan Kucan's contribution to the discussion, went on to disapprove of his last viewpoint which had "a hint of an attempt to divide".

Neither did he approve of Ciril Ribicic's discussion because of the fact that it grouped together the danger of disintegration and that of unitarism. He did not accept Joze Smole's views either but due to shortage of time could not explain the reasons for it.

Miric concluded by saying that by the autumn the LCY leadership should come up with a program for emerging from the crisis and to dismiss all its compromised members.

Conference Ends 2d Day

LD3105014888 Belgrade TANJUG Domestic Service in Serbo-Croatian 2117 GMT 30 May 88

[Text] Belgrade, 30 May (TANJUG)—This evening at 2300 the LCY Conference ended its second day of work. Almost 200 delegates spoke in three groups: for sociopolitical relations, for the political system, and for the development of the LC.

The conference tomorrow continues its work in groups, and in the afternoon a plenary session is envisaged at which the delegates should adopt the stances of the conference. Judging by the discussions up to now, the motto of that document could be formulated in a few words: an ideopolitically united and morally untarnished LC is a precondition for society and a way of the serious socioeconomic crisis.

LCY Constitutional Conference Enters 3d Day

LD3105091088 Belgrade TANJUG Domestic Service in Serbo-Croatian 0654 GMT 31 May 88

[Text] Belgrade, 31 May (TANJUG)—The LCY Conference resumed its work this morning in three groups—for socioeconomic relations, for the political system, and for the development of the LC. About 100 delegates have yet to speak. With 250 who spoke over the last 2 days, the forecast that almost half the delegates would speak proved correct.

A plenary session is planned for this afternoon at which the standpoints of the conference are to be adopted. These will be ratified by the LCY Central Committee at a later stage.

First Two Days of LCY Conference Assessed

Conference Topics Noted

LD3005172488 Belgrade TANJUG in English 1625 GMT 30 May 88

[Text] Belgrade, May 30 (TANJUG)—Yugoslavia is going through the most critical phase in its development since its development courses have been slowed down or have come to a complete standstill while its social and economic crisis is going deeper, such was an assessment made in common by delegates to the LCY Conference here today.

This conference of the Yugoslav Communists opened yesterday as the most important party gathering between two congresses and is discussing the party's role in and responsibility for finding a way out of a deep-going social and economic crisis confronting Yugoslavia.

During today's debate, on several occasions requests were emphasised for convening an extraordinary party congress as well. An extraordinary congress, unlike a conference just being held, is empowered to elect a new Central Committee and a new party leadership.

The new leadership should act according to the people's will" [quotation marks as received] or be replaced by a normal, democratic way, it was said.

Together with evaluating that the party leadership should work for a complete and full implementation of economic reform, it was said in the debate that otherwise an emergency congress should be held and new people should be elected to top party circles.

It is necessary to say it clearly, it was pointed out, who is to blame for the state of affairs in Yugoslavia now and establish responsibility of those who turned a deaf ear to the policy defined. Within this context, it was mentioned that Milanko Renovica and Bosko Krunic were at the head of the party leadership in between two congresses.

An end should be finally made to the practice of masking differences and discords in the leading bodies by abstract and unintelligible phrases, it was said during the debate.

The debates so far have shown that prevailing among the Communists is their being aware of the need for deep-going reforms in the economic system, delegates pointed out. Such reforms would not call in question the Yugoslav self-managing society's basic options and it should be done away with some errors when involved are, for instance, investments by returnees of their private means in production or foreign investments in the Yugoslav economy.

Proposals for secret and direct elections and open-ended lists of candidates to be brought forward by the membership at large were also supported during the debate today.

Sharp Criticism Emphasized

LD3005200988 Zagreb Domestic Service in Serbo-Croatian 1700 GMT 30 May 88

[Excerpt] Although it is early to make final assessments about the 2 days of discussion held so far at the LCY Conference, nevertheless the following emphases are discernible: sharp criticism of the LC leadership for not implementing the decisions of the congress; the demand for the strengthening of the market economy and unity in all parts of the LC; the insistence on an extraordinary congress if the stances of the conference, due to be adopted tomorrow, are not implemented in the shortest possible time. [passage omitted]

Zarkovic Comments on Conference

LD3005230288 Belgrade TANJUG in English 2225 GMT 30 May 88

[Text] Belgrade, May 30 (TANJUG)—The conference of the League of Communists of Yugoslavia (LCY) must determine the changes required in the economic and political life and mobilize forces for their realization, LCY Central Committee Presidency Member Vidoje Zarkovic said here this evening.

In a talk with foreign journalists covering the three-day conference, the first of its kind, Zarkovic said that party activities should be targeted at implementing the tasks set by the conference and not at preparations for a special congress.

During the conference session today, demands were heard for organizing a special congress. These demands express the dissatisfaction of the membership with the activities of the party leadership.

Zarkovic, one of the 24 members of the top party operative leadership, noted that the sharpest grassroot criticism was directed against individuals and that confidence in the party leadership in general was not in question.

The previous, 13th congress of the two-million-strong LCY was held in June 1986. The next, regular congress should be held in two years' time.

It is not contradictory that Yugoslav Communists are not in favor either of a multi-party or one-party system, since socialist self-management enables them to rule and "not transfer their power to any other political party," noted Zarkovic.

Responding to a question by one of the journalists, Zarkovic said that the wife of the late Yugoslav state and party leader Tito, Jovanka Broz, had asked the conference to resolve some issues "concerning her status". This and other demands will be discussed by competitive party bodies, explained Zarkovic.

Officials Preview New Economic Measures

LD2705202688 Belgrade TANJUG in English 1504 GMT 27 May 88

[Text] Belgrade, May 27 (TANJUG)—New economic policy measures, whose implementation will start soon, will create the conditions for the activity of economic laws, market orientation of the economy, less administration and radical reforms of the economic system, Yugoslav Government officials told reporters here today.

The talks focused on the forthcoming liberalization of prices, exports and the foreign exchange market.

It was emphasized that the new measures will give concrete form to the commitments as contained in the anti-inflation program as well as in the recently adopted changes to this year's economic resolution. Therefore, views that the government's new measures, adopted by the Federal Parliament in mid May, were imposed by the International Monetary Fund and Yugoslavia's creditors cannot be accepted.

As certain limitations are also being introduced in the field of spending, the government officials consider that all social forces should work towards settling the problems which arise in this regard.

They warned that, despite difficulties which are practically unavoidable in the first stage of the implementation of the new measures, they should continue to be consistently executed. If not, the country would certainly face a much more severe economic crisis.

FEC Announces Changes in Prices, Currency

Price Changes Adopted

LD2805025088 Belgrade TANJUG Domestic Service in Serbo-Croatian 2134 GMT 27 May 88

[Text] Belgrade, 27 May (TANJUG)—In keeping with the recent changes in the resolution on the policy of the country's socioeconomic development this year and the program of economic policy measures after 15 May, the FEC has adopted several measures that signify total acceptance of these documents, including liberalization of prices, imports, and the foreign currency market. With these measures, which have to be taken together with the measures the Yugoslav Assembly passed in mid-May, the conditions have been created for a more complete application of realistic economic categories, freer impact of economic laws, and consolidation of market orientation in the way the economy is run, coupled with a substantial reduction of administrative regulations in the economy as the key levers of the anti-inflationary and stabilization policy.

In keeping with the program of economic policy, it has been agreed that the prices be set in accordance with market conditions for about 60 percent of products, while the remaining products will be under direct control. In dividing the products into these two groups, the Federal Secretariat for Information reports, we began from the supply and demand situation, competitiveness on the domestic market, and the criteria of the dependence on reproduction entities and the level of world prices.

In order for supply to be increased and competitiveness strengthened on the domestic market, the majority of products are allowed to be imported freely, and interventions from the commodity reserves will be used with the same intention. Their prices will be set in accordance with market conditions.

In the case of shortages of specific products of general consumption, or the high growth of the prices of these products, intervention will take place in the form of imported goods. These imports will be exempt from part of import duties.

For the purpose of equality in the generation of income of those manufacturers whose goods' prices have remained under direct control, adjustments in the prices of several products have been made. The price of coke and semi-pure coke has been increased by 31.3 percent, ferrous metallurgy by 29.8 percent, ferrous alloys and hot-rolled sheets of metal and white sheet metal by 38 percent, refractory materials by 29.8 percent, cement and cement-based products by 25.1 percent, and electricity by 31.4 percent.

Some of these products are at the same time placed in the regime of the granting of consent for prices.

In order to improve the position of infrastructural activities, the prices of postal and telecommunications services have been increased by 28.1 percent and of railway transport services by 38.5 percent. The price of coal has been increased by 30.3 percent.

An adjustment has been made in the price of oil and its derivatives, 36.1 percent on the average. The price of straight-run gasoline has been increased by 32.2 percent; the new price of 86 octane motor gasoline is 930 dinars, and the price of the 98 octane gasoline is 1,000 dinars [per liter]. The resources gained through these price increases will be used to meet the cost of processing and of the losses in the refineries, to finance road construction, and to boost federal commodity reserves.

By this July the joint elements will have been worked out for price formation in the economic infrastructure (electricity, coal, oil, railways, and the PTT [Post, Telephone, and Telegraph]). This decision has only harmonized the prices. It has not removed disparities. Special mechanisms will be drawn up for price formation for ferrous and non-ferrous metallurgy.

The price of coal, type 850 flour, and pasteurized milk will not be increased. Compensation payments will be intoduced to ensure equal income earning conditions for the producers.

About 40 percent of overall imports this year will accomplished absolutely free (last year the percentage was 15 percent), and about 34 percent will be accomplished under the regime of conditionally free imports, that is to say to an extent that will depend on the export results of

every organization of associated labor. Liberalization of imports will be effected whenever this is allowed by the conditions of the international commodity trade.

In the field of economic relations with foreign countreis, all necessary regulations have been adopted on the realization of the balance of payments and external liquidity and the functioning of a single foreign exchange market, as well as the implementation of the policy for a realistic exchange rate for the dinar.

A one-off devaluation of the dinar by 23.9 percent has been carried out, and the implementation of an active exchange rate policy will be continued.

At the same time, measures have been prepared that ensure the functioning of the foreign exchange market without the application of Article 110 of the Law on Foreign Exchange Dealings. The legitimate demand of organizations of associated labor and the business banks for foreign currency will be met each day on the foreign exchange market and within this framework at an interbank meeting. The dinar exchange rate will be formed by applying criteria for, and the law on, foreign exchange dealings, and there will be a significantly greater role for the supply and demand of foreign currency. If this proves to be insufficient, the Yugoslav National Bank will intervene at the interbank meeting.

In view of the depreciation of the dinar and the fact that from now on its exchange rate will be determined by the relationship between supply and demand for foreign currency on the foreign exchange market, the income-based motivation to export will be increased.

Significant changes have also been carried out in the policy of the Yugoslav National Bank's interest rates, which relate to the level of the discount rate. The Yugoslav National Bank discount rate has been increased from 2 percent—as it has been up to now—to 6 percent above the rate of inflation, and differentiated interest rates have been abandoned.

Currency Changes Announced

LD2905083888 Belgrade TANJUG in English 1940 GMT 28 May 88

[Text] Belgrade, May 28 (TANJUG)—On Monday, May 30, Yugoslavia will produce a foreign currency market at which rates will be determined on the basis of supply and demand, Yugoslav Government member [word indistinct] in a special Belgrade television programme this evening.

Government member Dr Oskar Kovac, Foreign Trade Minister Nenad Krekic, Finance Minister Svetozar Rikanovic, Labour Minister Dr Janko Obocki and Central Bank Governor Dusan Vlatkovic said that the so-alled "critical [word indistinct] foreign currencies," necessary for the functioning of such a market, had been ensured.

They also said that it was planned to reschedule over 10 billion dollars of Yugoslavia's foreign debt. An agreement in principle has been reached with the committee of commercial banks to reschedule a part of the debt for a period of 18 years, while the Paris Club [word indistinct] the governments of creditor countries, will announce their stance on the rescheduling in June.

As explained, the aim is to reduce allocations for debt repayments from the present 45 to 25 percent of the country's foreign currency revenues.

It was also said that the package of government's measures announced last night was a step towards convertibility of the national currency which, however, will be a "long process."

Belgrade Radio Comments on FEC Measures

AU3005083288 Belgrade Domestic Service in Serbo-Croatian 0800 GMT 29 May 88

[Slavisa Stojkovic commentary from the "Sunday at 10" program]

[Text] By giving prices more freedom than they had before 15 November, the FEC has most clearly admitted that the intervention measures were a failure. Everything that was missed for 6 months will be quickly made up in the coming weeks. In fact, the FEC was the one to lead the way by increasing prices of electric power, oil, PTT [Post, Telephone, and Telegraph] and railroad services, and products of the primary sector of the economy. Of course, this was done according to the usual scenario, known from the previous price thaws. Price disparities in power generation and transportation are being corrected, and all other price increases are following those, and one fingers only producers who have free prices. The first impulse given by the state to the inflation increase will hardly be reduced by the most market-type behavior of the economy. In the present case, this impulse is 12-percent strong, at least this is what the FEC has calculated.

However, let us start from the optimistic variant. Administrative measures have been considerably reduced. One need not explain much about what that means, because the imposed intervention measures influenced the fall in production and the increase in inflation. This variant, the worst possible one, even has a name in economics—it is known as "stagflation." However, the new, market-oriented measures will undoubtedly be met with opposition in all sectors of the economy, especially where economic operation is poor. There will be some opinions to the effect that such an economy is going away from Marxism. Time, however, will be the greatest enemy. Radical operations incite great expectations, but the first days in the market will not bring peace, only a flood of new price lists. All measures in the price sector will demand a considerable amount of time to show positive results, because there is still an unshattered belief in our country that there is a

magic wand that can heal the economy. The next bulwark to the released prices is that ancient fear of disturbed social peace. Economic categories will clearly show who is worth what. If, however, it turns out that many factories should be closed down completely, the question is who is going to muster enough courage to lock their doors and send workers home. That gap between inevitability and forbearance, between economic logic and fear could lead to increased nervousness during coming months, nervousness in which there will be less and less readiness to come to grips with the obstacles of the economic and political system. The sword of Damocles of delayed [word indistinct] is only a mild warning compared to the economic catastrophe that will occur if we suspend these market measures too, and call on those things that used to be called consent economy, administrative regulation, and the like, to help us.

Free prices will also be opposed by freed imports, which were meant to bridge the possible short supplies, monopoly blackmailing of producers with monopoly on products, or the unauthorized increase in prices. The money for these kinds of imports—at least for the time being—has been assured through an agreement with the IMF. For the first time, this money is not meant for the direct development of the economy, and it will not be used to construct new factories. The past megalomania under the conditions of a decentralized state has brought us to this state in the economy. The present dollar support should strengthen the country's balance of payments, so that it could enable free imports. It is a bit strange, but the increased imports of reproduction material and raw materials should help the economy gain breath, increase production, and firmly stand on its own. It is only then that one could expect prices to stand firmly on their own.